

CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	<u>Budget</u>			Variance with final budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Taxes:				
Current property taxes	\$ 3,817,500	\$ 3,817,500	\$ 3,797,840	\$ (19,660)
Collection on prior levies	23,000	23,000	28,449	5,449
Payments in lieu of taxes:				
Harbor Tower	7,250	7,250	7,179	(71)
West Highland	12,250	12,250	11,945	(305)
Chippewa Indians	950	950	941	(9)
Bridgewood	300	300	300	-
Penalties and interest	25,000	25,000	15,401	(9,599)
Total taxes	<u>3,886,250</u>	<u>3,886,250</u>	<u>3,862,055</u>	<u>(24,195)</u>
Licenses and permits:				
Business licenses and permits	1,000	1,000	1,306	306
Zoning appeals fees	1,250	1,250	-	(1,250)
Total licenses and permits	<u>2,250</u>	<u>2,250</u>	<u>1,306</u>	<u>(944)</u>
Local sources:				
Chippewa Tribe gaming revenue	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
State grants:				
Anti-drug abuse	16,000	16,000	13,046	(2,954)
Dispatcher training funds	3,000	3,000	1,542	(1,458)
State shared revenues	1,581,500	1,581,500	1,554,303	(27,197)
Criminal justice	7,300	7,300	7,451	151
FEMA match funds	16,750	16,750	16,700	(50)
Click it or ticket	-	-	9,584	9,584
Total state grants	<u>1,624,550</u>	<u>1,624,550</u>	<u>1,602,626</u>	<u>(21,924)</u>
Federal sources:				
Anti-drug abuse	51,500	51,500	45,390	(6,110)
Bulletproof vest program	500	500	650	150
Project Safe Neighborhood Grant	80,100	80,100	89,164	9,064
FEMA grant	17,000	17,000	23,710	6,710
Total federal sources	<u>149,100</u>	<u>149,100</u>	<u>158,914</u>	<u>9,814</u>
Charges for services:				
Land use fees	-	-	7,496	7,496
Sex offender fees	-	-	80	80
Platting fees	1,000	1,000	336	(664)
Engineering department	-	-	243	243
Computer printouts	500	500	385	(115)
Composting	11,000	11,000	9,931	(1,069)
Cost recovery ordinances	2,500	2,500	500	(2,000)
Wedding ceremony fees	-	-	80	80
Duplicating and photostat fees	3,000	3,000	2,502	(498)
Tax collection fees	50,000	50,000	62,999	12,999
Township fire protection	63,800	63,800	64,307	507
Street Department for overhead	17,500	17,500	24,958	7,458
Recreation program	7,000	7,000	5,678	(1,322)
Farmers market	325	325	300	(25)
Dispatching	194,000	194,000	198,669	4,669
Wireless E-911 revenue	118,000	118,000	146,125	28,125
Boat launches	17,000	17,000	20,355	3,355
Delta solid waste	5,500	5,500	10,470	4,970

See accompanying notes to financial statements.

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IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Property owners share of sidewalk construction	\$ 30,000	30,000	43,334	13,334
Inspection fees	4,000	4,000	4,839	839
Training fees	-	-	223	223
Total charges for services	525.125	525.125	603.810	78.685
Fines and forfeitures:				
Penalties and interest	2,000	2,000	2,657	657
Nonmoving violations and district court	12,500	12,500	7,320	(5,180)
Penal fines, county allocation	25,000	25,000	14,362	(10,638)
Total fines and forfeitures	39,500	39,500	24,339	(15,161)
Miscellaneous:				
Vending machine sales	1,400	1,400	811	(589)
Commissions on pay telephone	1,000	1,000	557	(443)
Interest earnings	150,000	150,000	192,356	42,356
Rents	59,700	59,700	47,684	(12,016)
Jackie Sorenson aerobics fees	-	-	4,653	4,653
Sale of property	1,000	1,000	807	(193)
Purchase discounts	1,800	1,800	1,545	(255)
MMRMA Rap Grant	-	-	1,250	1,250
Contributions	5,000	5,000	9,383	4,383
Other	15,600	15,600	2,013	(13,587)
Total miscellaneous	235.500	235.500	261.059	25.559
TOTAL REVENUES	6,472,275	6,472,275	6,524,109	51,834
EXPENDITURES:				
General government:				
City Council:				
Salaries and wages	14,000	14,000	13,615	385
Fringe benefits	1,309	1,309	1,203	106
Office supplies	500	500	664	(164)
Operating supplies	300	300	297	3
Communications	75	75	77	(2)
Transportation	2,500	2,500	598	1,902
Printing and publishing	100	100	150	(50)
Insurance and bonds	650	650	521	129
Public relations	200	200	2,179	(1,979)
Memberships and dues	6,100	6,100	5,678	422
Meetings	1,200	1,200	200	1,000
Equipment rental	500	500	353	147
Total city council	27,434	27,434	25,535	1,899
City manager:				
Salaries and wages	177,931	195,431	193,111	2,320
Fringe benefits	74,923	78,423	78,227	196
Professional services	-	7,000	6,923	77
Office supplies	1,700	3,700	3,904	(204)
Communications	2,200	2,200	2,431	(231)
Transportation	3,000	3,000	1,876	1,124
Printing and publishing	500	500	417	83
Insurance and bonds	40	40	-	40
Memberships and dues	500	500	10	490
Meetings	-	-	430	(430)

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CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget			Variance with final budget Favorable (Unfavorable)
	Original	Final	Actual	
Equipment repair	\$ 200	\$ 200	\$ -	\$ 200
Equipment rental	7,000	11,500	10,898	602
Books, magazines and periodicals	<u>565</u>	<u>565</u>	<u>846</u>	<u>(281)</u>
	268,559	303,059	299,073	3,986
Less amount applicable to utilities	<u>(187,991)</u>	<u>(187,991)</u>	<u>(209,350)</u>	<u>21,359</u>
Total city manager	<u>80,568</u>	<u>115,068</u>	<u>89,723</u>	<u>25,345</u>
City elections:				
Salaries and wages	1,097	1,097	2,179	(1,082)
Fringe benefits	355	355	462	(107)
Professional services	5,000	5,000	4,351	649
Office supplies	2,500	3,200	3,353	(153)
Transportation	300	300	247	53
Printing and publishing	3,000	3,000	152	2,848
Meetings	200	200	-	200
Equipment repair	3,000	3,000	4,940	(1,940)
Equipment rental	2,500	2,500	2,500	-
Telephone	<u>-</u>	<u>-</u>	<u>51</u>	<u>(51)</u>
Total city elections	<u>17,952</u>	<u>18,652</u>	<u>18,235</u>	<u>417</u>
Accounting:				
Salaries and wages	135,308	135,308	135,199	109
Fringe benefits	59,694	59,694	58,807	887
Professional services	250	250	-	250
Office supplies	5,550	5,550	5,846	(296)
Communications	1,000	1,000	1,023	(23)
Printing and publishing	1,000	1,000	-	1,000
Insurance and bonds	700	700	582	118
Memberships and dues	175	175	165	10
Meetings	-	-	107	(107)
Equipment repair	150	150	-	150
Equipment rental	3,400	3,400	3,671	(271)
Books, magazines and periodicals	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
	207,327	207,327	205,400	1,927
Less amount applicable to utilities	<u>(124,396)</u>	<u>(124,396)</u>	<u>(123,242)</u>	<u>(1,154)</u>
Total accounting	<u>82,931</u>	<u>82,931</u>	<u>82,158</u>	<u>773</u>
City assessor:				
Salaries and wages	81,690	83,190	84,123	(933)
Fringe benefits	35,112	35,612	35,302	310
Office supplies	11,200	11,200	9,598	1,602
Communications	600	600	635	(35)
Transportation	200	200	61	139
Printing and publishing	500	500	744	(244)
Memberships and dues	305	305	405	(100)
Meetings	400	400	536	(136)
Equipment repair	1,200	1,200	1,142	58
Equipment rental	2,800	2,800	2,419	381
Book, magazines and periodicals	<u>490</u>	<u>490</u>	<u>578</u>	<u>(88)</u>

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IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
New equipment	\$ 250	\$ 250	\$ 175	\$ 75
Total city assessor	134,747	136,747	135,718	1,029
City attorney:				
Professional services	49,000	49,000	48,000	1,000
Office supplies	200	200	395	(195)
Books, magazines and periodicals	1,000	1,000	1,567	(567)
	50,200	50,200	49,962	238
Less amount applicable to utilities	(25,100)	(25,100)	(24,981)	(119)
Total city attorney	25,100	25,100	24,981	119
Stenographer:				
Salaries and wages	28,216	33,116	34,260	(1,144)
Fringe benefits	10,497	12,897	13,201	(304)
Office supplies	400	400	815	(415)
Communications	250	250	394	(144)
Meetings	-	-	36	(36)
Equipment repair	100	100	-	100
Equipment rental	1,500	1,500	1,231	269
Total stenographer	40,963	48,263	49,937	(1,674)
Human resources:				
Salaries and wages	53,936	80,236	71,221	9,015
Fringe benefits	17,041	21,041	20,835	206
Professional services	-	6,800	6,754	46
Office supplies	1,200	3,200	2,079	1,121
Communications	200	200	281	(81)
Transportation	-	-	394	(394)
Printing and publishing	200	900	992	(92)
Memberships and dues	-	-	160	(160)
Meetings	-	300	376	(76)
Equipment rental	1,400	1,400	1,702	(302)
	73,977	114,077	104,794	9,283
Less amount applicable to utilities	(25,892)	(25,892)	(36,678)	10,786
Total human resources	48,085	88,185	68,116	20,069
Purchasing and stock department:				
Salaries and wages	75,539	75,539	74,599	940
Fringe benefits	33,795	33,795	32,897	898
Professional services	-	-	200	(200)
Office supplies	200	200	138	62
Communications	600	600	1,101	(501)
Transportation	500	500	470	30
Printing and publishing	2,800	2,800	1,731	1,069
Insurance and bonds	1,200	1,200	1,346	(146)
Public utilities	1,000	1,000	948	52
Building maintenance	-	-	81	(81)
Meetings	-	-	71	(71)
Equipment repair	200	200	901	(701)

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Equipment rental	\$ 1,200	\$ 1,200	\$ 910	\$ 290
New equipment	500	500	-	500
	117,534	117,534	115,393	2,141
Less amount applicable to utilities	(70,520)	(70,520)	(69,237)	(1,283)
Total purchasing and stock department	47,014	47,014	46,156	858
Board of review:				
Professional services	1,500	1,500	1,260	240
Office supplies	50	50	-	50
Tuition assistance	100	100	-	100
Transportation	200	200	132	68
Printing and publishing	400	400	108	292
Total board of review	2,250	2,250	1,500	750
Treasurer:				
Salaries and wages	131,618	131,618	127,596	4,022
Fringe benefits	56,882	56,882	52,958	3,924
Professional services	1,000	1,000	532	468
Office supplies	2,000	2,000	1,681	319
Communications	1,200	1,200	1,310	(110)
Transportation	700	700	-	700
Printing and publishing	1,500	1,500	160	1,340
Insurance and bonds	1,100	1,100	801	299
Memberships and dues	-	-	35	(35)
Meetings	-	-	107	(107)
Equipment repair	100	100	-	100
Equipment rental	2,000	2,000	3,629	(1,629)
Books, magazines and periodicals	-	-	215	(215)
	198,100	198,100	189,024	9,076
Less amount applicable to utilities	(178,290)	(178,290)	(170,123)	(8,167)
Total treasurer	19,810	19,810	18,901	909
City clerk:				
Salaries and wages	125,750	125,750	76,071	49,679
Fringe benefits	64,878	64,878	43,160	21,718
Professional services	-	-	6,739	(6,739)
Office supplies	3,500	3,500	3,370	130
Communications	900	900	1,131	(231)
Transportation	900	900	23	877
Printing and publishing	4,000	4,000	2,712	1,288
Memberships and dues	100	100	266	(166)
Meetings	-	-	966	(966)
Equipment repair	-	-	115	(115)
Equipment rental	3,000	3,000	3,392	(392)
Books, magazines and periodicals	160	160	687	(527)
New equipment	250	250	175	75
	203,438	203,438	138,807	64,631
Less amount applicable to utilities	(34,582)	(34,582)	-	(34,582)
Total city clerk	168,856	168,856	138,807	30,049

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GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Billing department:				
Salaries and wages	\$ 103,125	\$ 121,625	\$ 120,595	\$ 1,030
Fringe benefits	63,600	68,100	66,164	1,936
Clothing	500	500	150	350
Professional services	400	400	589	(189)
Office supplies	15,500	19,500	22,693	(3,193)
Communications	1,300	1,300	1,399	(99)
Transportation	-	-	293	(293)
Printing and publishing	2,000	2,000	2,272	(272)
Meetings	-	-	310	(310)
Equipment repair	100	100	-	100
Equipment rental	12,400	12,400	10,381	2,019
Books, magazines and periodicals	100	100	-	100
	199,025	226,025	224,846	1,179
Less amount applicable to utilities	(179,123)	(179,123)	(202,364)	23,241
Total billing department	19,902	46,902	22,482	24,420
Independent auditing:				
Professional services	16,250	16,250	16,250	-
Less amount applicable to utilities	(8,125)	(8,125)	(8,125)	-
Total independent auditing	8,125	8,125	8,125	-
Farmers market:				
Public utilities	200	200	192	8
Public Works - City Hall/Library:				
Building rental	116,400	116,400	116,400	-
Building lease	285,000	285,000	284,676	324
	401,400	401,400	401,076	324
Less amount applicable to utilities	(50,000)	(50,000)	(50,000)	-
Total public works - city hall/library	351,400	351,400	351,076	324
Civic center:				
Salaries and wages	65,462	85,462	82,571	2,891
Fringe benefits	23,472	27,472	25,578	1,894
Professional services	500	500	225	275
Office supplies	400	400	1,514	(1,114)
Building supplies	4,000	4,000	4,899	(899)
Communications	1,700	1,700	1,720	(20)
Transportation	900	900	1,140	(240)
Insurance and bonds	4,200	4,200	3,664	536
Public utilities	34,000	34,000	36,705	(2,705)
Building maintenance	7,412	7,412	2,508	4,904
Equipment repair	1,000	1,000	254	746
Equipment rental	600	600	818	(218)
Total civic center	143,646	167,646	161,596	6,050
Rental property:				
Salaries and wages	-	250	145	105
Fringe benefits	-	50	77	(27)
Insurance and bonds	425	425	418	7

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GENERAL FUND  
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 IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Rental property:				
Public utilities	\$ -	\$ 200	124	76
Equipment rental	-	-	20	(20)
Total rental property	425	925	784	141
Tourism promotion:				
Printing and publishing	300	300	-	300
Insurance and bonds	500	500	287	213
Building maintenance	500	500	-	500
Waterfront Art show	700	700	506	194
Masters Walleye Tournament	2,500	2,500	-	2,500
Civil War Reenactment	-	-	170	(170)
Car show	500	500	-	500
Folk Fest	500	500	1,171	(671)
PWT Fishing Tournament	5,000	5,000	1,582	3,418
Cabela's Tournament	-	-	1	(1)
RCL Fishing Tournament	-	-	1,067	(1,067)
Total tourism promotion	10,500	10,500	4,784	5,716
Boat launches:				
Salaries and wages	5,200	5,200	2,715	2,485
Fringe benefits	500	500	425	75
Professional services	-	-	180	(180)
Operating supplies	1,500	1,500	420	1,080
Printing and publishing	-	-	1,791	(1,791)
Insurance and bonds	500	500	-	500
Public utilities	4,000	4,000	2,436	1,564
Equipment rental	500	500	2,013	(1,513)
Telephone	1,000	1,000	(12)	1,012
Travel expense, auto allowance	500	500	-	500
Repairs to structures	2,300	2,300	78	2,222
Repairs to equipment	1,000	1,000	-	1,000
Total boat launches	17,000	17,000	10,046	6,954
Promotional:				
Community promotion	5,700	8,300	8,942	(642)
Celebration flags	1,643	1,643	1,546	97
Fourth of July	14,346	17,546	17,495	51
Total promotional	21,689	27,489	27,983	(494)
Total general government	1,268,597	1,410,497	1,286,835	123,662
Public safety:				
Public Safety Department:				
Salaries and wages	1,895,877	1,925,877	1,920,347	5,530
Fringe benefits	803,805	803,805	808,353	(4,548)
Clothing	12,000	12,000	8,609	3,391
Uniform maintenance	1,800	1,800	1,264	536
Professional services	1,800	1,800	3,035	(1,235)
Office supplies	27,590	27,590	11,178	16,412
Building supplies	2,000	2,000	1,898	102
Communications	9,500	9,500	9,268	232
Public relations	-	-	1,199	(1,199)
Transportation	5,000	5,000	5,660	(660)

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For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Printing and publishing	\$ 1,400	\$ 1,400	\$ 1,757	\$ (357)
Insurance and bonds	28,000	28,000	27,814	186
Public utilities	33,000	33,000	36,809	(3,809)
Building maintenance	2,000	2,000	1,599	401
Memberships and dues	400	400	565	(165)
Meetings	5,500	5,500	4,099	1,401
Equipment repair	17,300	17,300	14,330	2,970
Equipment rental	125,630	125,630	138,573	(12,943)
Hydrant rental	66,160	66,160	66,160	-
Books, magazines and periodicals	1,900	1,900	503	1,397
New equipment	20,500	20,500	15,677	4,823
Building improvements	-	-	1,500	(1,500)
Total public safety department	3,061,162	3,091,162	3,080,197	10,965
Community preservation:				
Salaries and wages	68,382	69,382	69,910	(528)
Fringe benefits	24,334	24,334	23,567	767
Professional services	1,000	1,000	230	770
Office supplies	5,100	5,100	5,694	(594)
Communications	1,200	1,200	704	496
Transportation	1,500	1,500	1,462	38
Printing and publishing	500	500	287	213
Memberships and dues	620	620	75	545
Meetings	500	500	1,431	(931)
Equipment repair	200	200	-	200
Equipment rental	4,600	4,600	4,049	551
Books, magazines and periodicals	200	200	335	(135)
Total community preservation	108,136	109,136	107,744	1,392
Anti-drug abuse grant:				
Salaries and wages	54,701	54,701	56,752	(2,051)
Fringe benefits	24,138	24,138	24,505	(367)
Clothing	100	100	-	100
Office supplies	500	500	13	487
Transportation	2,000	2,000	2,381	(381)
Insurance and bonds	-	-	258	(258)
Telephone	600	600	162	438
Professional services	26,000	26,000	14,412	11,588
Total anti-drug abuse grant	108,039	108,039	98,483	9,556
Public safety training:				
Office supplies	1,000	1,000	199	801
Transportation	2,000	2,000	-	2,000
Meetings	4,500	4,500	5,575	(1,075)
Total public safety training	7,500	7,500	5,774	1,726
Dispatchers:				
Salaries and wages	370,776	370,776	366,194	4,582
Fringe benefits	159,727	159,727	136,661	23,066
Clothing	2,000	2,000	1,013	987
Uniform maintenance	200	200	-	200
Office supplies	2,700	2,700	1,467	1,233
Communications	3,600	3,600	3,889	(289)
Transportation	1,700	1,700	966	734
Printing and publishing	400	400	-	400

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Education and training	\$ 3,000	\$ 3,000	\$ 1,158	\$ 1,842
Memberships and dues	200	200	235	(35)
Equipment repair	16,271	16,271	10,057	6,214
Equipment rental	26,260	26,260	12,989	13,271
Building improvements	1,000	1,000	245	755
Total dispatchers	587,834	587,834	534,874	52,960
Project Safe Neighborhood:				
Salaries and wages	54,701	54,701	54,767	(66)
Fringe benefits	22,858	22,858	24,109	(1,251)
Clothing	200	200	-	200
Transportation	2,500	2,500	8,458	(5,958)
Telephone	600	600	754	(154)
Capital outlay	-	-	1,077	(1,077)
Total project safe neighborhood	80,859	80,859	89,165	(8,306)
Total public safety	3,953,530	3,984,530	3,916,237	68,293
Highways, streets and public works:				
City engineer:				
Salaries and wages	141,155	141,155	135,118	6,037
Fringe benefits	57,685	57,685	57,970	(285)
Professional services	2,000	2,000	593	1,407
Office supplies	3,000	3,000	2,606	394
Communications	1,300	1,300	1,208	92
Transportation	600	600	949	(349)
Printing and publishing	-	-	35	(35)
Insurance and bonds	200	200	156	44
Memberships and dues	100	100	75	25
Meetings	500	500	1,161	(661)
Equipment repair	400	400	97	303
Equipment rental	10,500	10,500	11,714	(1,214)
New equipment	800	800	820	(20)
Total city engineer	218,240	218,240	212,502	5,738
Care of trees and shrubs:				
Salaries and wages	50,975	50,975	37,324	13,651
Fringe benefits	22,226	22,226	16,840	5,386
Professional services	-	-	1,080	(1,080)
Office supplies	-	-	272	(272)
Equipment repair	2,000	2,000	1,427	573
Equipment rental	18,000	18,000	10,851	7,149
Total care of trees and shrubs	93,201	93,201	67,794	25,407
Planning commission:				
Professional services	50,000	50,000	34,944	15,056
Office supplies	300	300	402	(102)
Transportation	300	300	13	287
Printing and publishing	1,200	1,600	1,386	214
Meetings	750	750	530	220
Total planning commission	52,550	52,950	37,275	15,675
Street lighting	109,500	112,500	111,550	950

See accompany notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Sidewalks:				
Salaries and wages	\$ -	\$ 7,500	\$ 7,184	\$ 316
Fringe benefits	-	-	2,276	(2,276)
Professional services	5,000	5,000	972	4,028
Operating supplies	-	-	4,199	(4,199)
Insurance and bonds	4,000	4,000	2,553	1,447
Equipment rental	-	-	703	(703)
Overhead on salaries and wages	-	3,500	1,490	2,010
Total sidewalks	9,000	20,000	19,377	623
Alleys	18,500	30,500	30,490	10
Crossing guards	28,050	29,550	27,823	1,727
Less administrative charge to street funds	(27,000)	(27,000)	(30,875)	3,875
Total highways, streets and public works	502,041	529,941	475,936	54,005
Sanitation:				
Sanitary landfill:				
Professional services	218,000	221,000	218,823	2,177
Mulching:				
Salaries and wages	61,290	61,290	62,567	(1,277)
Fringe benefits	29,693	29,693	23,556	6,137
Building rental	-	-	120	(120)
Office supplies	-	-	86	(86)
Printing and publishing	300	300	695	(395)
Public utilities	600	600	542	58
Building maintenance	-	-	(20)	20
Equipment repair	-	-	11	(11)
Equipment rental	56,000	56,000	47,678	8,322
Total mulching	147,883	147,883	135,235	12,648
Snow plowing:				
Salaries and wages	2,806	4,306	4,423	(117)
Fringe benefits	1,223	1,723	1,790	(67)
Equipment rental	3,000	3,000	2,703	297
Total snow plowing	7,029	9,029	8,916	113
Solid waste collection:				
Salaries and wages	226,878	254,878	252,435	2,443
Fringe benefits	120,963	130,963	130,953	10
Clothing	200	200	71	129
Office supplies	200	200	450	(250)
Printing and publishing	-	-	267	(267)
Education and training	-	-	25	(25)
Insurance and bonds	1,400	1,400	521	879
Equipment rental	77,000	77,000	77,913	(913)
Total solid waste collection	426,641	464,641	462,635	2,006
Total sanitation	799,553	842,553	825,609	16,944

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget			Variance with final budget Favorable (Unfavorable)
	Original	Final	Actual	
Community services:				
Professional services	\$ 15,000	\$ 15,000	\$ 15,000	\$ -
Building rental	9,148	9,148	9,148	-
Total community services	24,148	24,148	24,148	-
Recreation:				
Band:				
Salaries and wages	-	-	78	(78)
Fringe benefits	-	-	43	(43)
Uniform maintenance	450	450	676	(226)
Professional services	31,450	31,450	29,034	2,416
Office supplies	450	450	424	26
Transportation	550	550	480	70
Public utilities	100	100	299	(199)
Building maintenance	300	300	215	85
Equipment repair	200	200	-	200
Equipment rental	500	500	156	344
Total band	34,000	34,000	31,405	2,595
Parks:				
Salaries and wages	89,202	89,202	70,994	18,208
Fringe benefits	38,892	38,892	27,145	11,747
Professional services	-	-	380	(380)
Office supplies	3,000	3,000	6,852	(3,852)
Building supplies	800	800	1,298	(498)
Transportation	-	-	116	(116)
Insurance and bonds	1,100	1,100	960	140
Public utilities	8,000	8,000	7,330	670
Building maintenance	1,000	1,000	2,382	(1,382)
Meetings	-	-	156	(156)
Equipment repair	1,500	1,500	1,749	(249)
Equipment rental	42,000	42,000	38,067	3,933
Building improvements	2,000	2,000	3,344	(1,344)
Telephone	600	600	600	-
Ludington Park watering	-	-	494	(494)
Total parks	188,094	188,094	161,867	26,227
Recreation department - administration:				
Salaries and wages	41,673	41,673	45,331	(3,658)
Fringe benefits	12,769	12,769	10,080	2,689
Office supplies	1,300	1,300	3,557	(2,257)
Communications	1,400	1,400	1,383	17
Transportation	-	-	1,476	(1,476)
Meetings	-	-	71	(71)
Equipment repair	200	200	-	200
Equipment rental	4,750	4,750	1,210	3,540
New equipment	-	-	128	(128)
Total recreation department - administration	62,092	62,092	63,236	(1,144)
Summer sports:				
Salaries and wages	61,096	61,096	68,784	(7,688)
Fringe benefits	22,569	22,569	22,629	(60)
Clothing	250	250	612	(362)
Uniform maintenance	200	200	-	200
Professional services	500	500	-	500

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Office supplies	\$ 4,025	\$ 4,025	\$ 4,442	\$ (417)
Building supplies	100	100	42	58
Communications	600	600	450	150
Transportation	-	-	303	(303)
Slam Fest volleyball	500	500	634	(134)
Printing and publishing	1,500	1,500	-	1,500
Education and training	-	-	133	(133)
Insurance and bonds	400	400	143	257
Public utilities	6,300	6,300	5,242	1,058
Building maintenance	6,234	6,234	575	5,659
Equipment repair	750	750	298	452
Equipment rental	21,000	21,000	22,500	(1,500)
Total summer sports	126,024	126,024	126,787	(763)
Wading pool:				
Salaries and wages	5,036	5,036	3,532	1,504
Fringe benefits	385	385	416	(31)
Fees and per diem	50	50	55	(5)
Professional services	300	300	127	173
Office supplies	1,450	1,450	614	836
Communications	450	450	270	180
Insurance and bonds	400	400	275	125
Public utilities	1,500	1,500	1,024	476
Building maintenance	1,000	1,000	310	690
Equipment repair	300	300	59	241
Equipment rental	100	100	-	100
Total wading pool	10,971	10,971	6,682	4,289
Winter sports:				
Salaries and wages	30,317	30,317	30,332	(15)
Fringe benefits	10,802	10,802	10,765	37
Uniform maintenance	50	50	-	50
Office supplies	500	500	244	256
Building supplies	200	200	253	(53)
Communications	500	500	821	(321)
Printing and publishing	1,000	1,000	-	1,000
Insurance and bonds	300	300	222	78
Public utilities	3,700	3,700	3,627	73
Building maintenance	1,616	1,616	361	1,255
Meetings	-	-	108	(108)
Equipment repair	300	300	19	281
Equipment rental	6,200	6,200	14,778	(8,578)
Total winter sports	55,485	55,485	61,530	(6,045)
Beach:				
Salaries and wages	25,481	25,481	22,034	3,447
Fringe benefits	1,949	1,949	2,762	(813)
Clothing	400	400	150	250
Uniform maintenance	50	50	-	50
Professional services	400	400	95	305
Office supplies	950	950	301	649
Building supplies	500	500	357	143
Communications	1,100	1,100	1,298	(198)
Printing and publishing	100	100	-	100
Insurance and bonds	475	475	448	27
Public utilities	1,000	1,000	807	193

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
Building maintenance	\$ 500	\$ 500	\$ 500	\$ -
Meetings	300	300	25	275
Equipment repair	300	300	-	300
Equipment rental	500	500	-	500
New equipment	650	650	408	242
Total beach	34,655	34,655	29,185	5,470
Civic center activities:				
Salaries and wages	40,004	40,004	35,007	4,997
Fringe benefits	7,336	7,336	5,883	1,453
Professional services	1,200	1,200	299	901
Office supplies	500	500	280	220
Operating supplies	200	200	-	200
Jackie Sorenson aerobics	5,500	5,500	5,337	163
Printing and publishing	2,000	2,000	75	1,925
Meetings	-	-	198	(198)
Equipment repair	1,500	1,500	-	1,500
New equipment	-	-	379	(379)
Total civic center activities	58,240	58,240	47,458	10,782
Total recreation	569,561	569,561	528,150	41,411
Cultural:				
Historical society building:				
Insurance and bonds	250	300	258	42
Other functions:				
Insurance and bonds	13,500	13,500	10,951	2,549
TOTAL EXPENDITURES	7,131,180	7,375,030	7,068,124	306,906
EXCESS REVENUES (EXPENDITURES)	(658,905)	(902,755)	(544,015)	358,740
OTHER FINANCING SOURCES (USES):				
Gain (loss) on sale of investments	-	-	(32,217)	(32,217)
Operating transfers in:				
Electric Fund	518,048	518,048	518,048	-
Land Development Fund	60,000	60,000	60,000	-
Sanitary Landfill Fund	186,500	186,500	184,405	(2,095)
Operating transfers out:				
Capital Projects Fund	-	(1,500)	(1,433)	67
Library Fund	(235,800)	(235,800)	(235,800)	-
Grants Fund	(16,000)	(17,500)	(16,751)	749
Major Street Fund	(40,000)	(40,000)	(40,000)	-
Parking Maintenance Fund	(12,000)	(12,000)	(10,321)	1,679
TOTAL OTHER FINANCING SOURCES (USES)	460,748	457,748	425,931	(31,817)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(198,157)	(445,007)	(118,084)	326,923
Fund balance, beginning of year	198,157	445,007	4,172,508	3,727,501
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 4,054,424	\$ 4,054,424

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

MAJOR STREET FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget			Variance with final budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES:				
State grants:				
Gas and weight tax	\$ 710.000	\$ 760.000	\$ 708.233	\$ (51.767)
Winter maintenance	-	-	78.866	78.866
PA 48 annual maintenance fee	59.500	59.500	47.389	(12.111)
Danforth Road project	113.600	113.600	113.600	-
Miscellaneous:				
Penalties and interest	-	-	16	16
Interest earnings	17.500	17.500	20.026	2.526
TOTAL REVENUES	900.600	950.600	968.130	17.530
EXPENDITURES:				
Highways, streets and public works:				
Preservation streets:				
Patching and crack filling	46.964	46.964	55.671	(8.707)
Storm sewers	43.827	43.827	47.528	(3.701)
Grass and weed cutting	14.393	14.393	13.713	680
Sweeping and flushing	42.269	42.269	36.079	6.190
Street paving	340.500	340.500	329.212	11.288
Total preservation streets	487.953	487.953	482.203	5.750
Traffic services - maintenance:				
Pavement markings and signs	55.439	55.439	45.441	9.998
Winter maintenance:				
Snow removal	95.733	116.800	124.574	(7.774)
Snow plowing	49.686	60.619	58.833	1.786
Ice control	50.732	50.732	44.173	6.559
Total winter maintenance	196.151	228.151	227.580	571
Administration engineering and record keeping	100.980	100.980	109.213	(8.233)
TOTAL EXPENDITURES	840.523	872.523	864.437	8.086
EXCESS REVENUES (EXPENDITURES)	60.077	78.077	103.693	25.616
OTHER FINANCING SOURCES (USES):				
Gain (loss) on sale of investments	-	-	(3.819)	(3.819)
Operating transfers in:				
Land Development Fund	18.500	18.500	14.721	(3.779)
General Fund	40.000	40.000	40.000	-
Operating transfers out:				
Local Street Fund	(100.000)	(100.000)	(100.000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(41.500)	(41.500)	(49.098)	(7.598)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	18.577	36.577	54.595	18.018
Fund balance, beginning of year	-	-	573.260	573.260
FUND BALANCE, END OF YEAR	\$ 18.577	\$ 36.577	\$ 627.855	\$ 591.278

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LOCAL STREET FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended June 30, 2005

	Budget		Actual	Variance with final budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
State grants:				
Gas and weight tax	\$ 255,000	\$ 275,000	\$ 263,102	\$ (11,898)
Miscellaneous:				
Interest earnings	7,000	7,000	11,603	4,603
Special assessments	5,000	5,000	12,226	7,226
TOTAL REVENUES	267,000	287,000	286,931	(69)
EXPENDITURES:				
Highways, streets and public works:				
Preservation streets:				
Patching and crack filling	52,644	52,644	59,075	(6,431)
Storm sewers	61,028	61,028	35,433	25,595
Sweeping and flushing	35,540	35,540	30,338	5,202
Blading	38,412	38,412	26,274	12,138
Dust control	14,127	14,127	12,968	1,159
Street paving	75,000	93,000	95,041	(2,041)
Total preservation streets	276,751	294,751	259,129	35,622
Traffic services - maintenance	22,381	22,381	14,678	7,703
Winter maintenance:				
Snow removal	23,238	23,238	7,195	16,043
Snow plowing	54,464	54,464	49,386	5,078
Ice control	29,345	29,345	32,193	(2,848)
Total winter maintenance	107,047	107,047	88,774	18,273
Administration engineering and record keeping	59,000	59,000	66,986	(7,986)
TOTAL EXPENDITURES	465,179	483,179	429,567	53,612
EXCESS REVENUES (EXPENDITURES)	(198,179)	(196,179)	(142,636)	53,543
OTHER FINANCING SOURCES (USES):				
Gain (loss) on sale of investments	-	-	(1,721)	(1,721)
Operating transfers in:				
Gas Retirement Fund	100,000	100,000	73,445	(26,555)
Major Street Fund	100,000	100,000	100,000	-
TOTAL OTHER FINANCING SOURCES (USES)	200,000	200,000	171,724	(28,276)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	1,821	3,821	29,088	25,267
Fund balance, beginning of year	-	-	305,164	305,164
FUND BALANCE, END OF YEAR	\$ 1,821	\$ 3,821	\$ 334,252	\$ 330,431

See accompanying notes to financial statements.

OTHER SUPPLEMENTAL INFORMATION

## CITY OF ESCANABA, MICHIGAN

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

June 30, 2005

	Special Revenue Funds	Capital Projects Fund	Permanent Fund	Total Nonmajor Governmental Funds
<b>ASSETS:</b>				
Cash and equivalents	\$ 108,318	\$ -	\$ -	\$ 108,318
Investments, at market	4,353,885	-	1,161,635	5,515,520
Receivables:				
Accounts, net of bad debt allowance	22,230	-	-	22,230
Mortgages, land contracts and other notes	1,988,706	-	-	1,988,706
Accrued interest	47,870	-	12,653	60,523
Due from other governments:				
State of Michigan	97,930	-	-	97,930
Local units	344	-	-	344
Advances to other funds	341,000	-	-	341,000
Real estate held for resale	8,200	-	-	8,200
<b>TOTAL ASSETS</b>	<b>\$ 6,968,483</b>	<b>\$ -</b>	<b>\$ 1,174,288</b>	<b>\$ 8,142,771</b>
<b>LIABILITIES:</b>				
Accounts payable	\$ 9,568	\$ -	\$ -	\$ 9,568
Due to other funds:				
General Fund	68,395	-	-	68,395
Health Insurance Fund	33	-	-	33
Deferred revenue	37,002	-	-	37,002
<b>TOTAL LIABILITIES</b>	<b>114,998</b>	<b>-</b>	<b>-</b>	<b>114,998</b>
<b>FUND BALANCES:</b>				
Reserved for:				
Principal	-	-	989,349	989,349
Capital improvements	-	-	184,939	184,939
Long-term notes receivable	1,976,580	-	-	1,976,580
Revolving loans	1,357,749	-	-	1,357,749
UPSET expenses	106,218	-	-	106,218
Land held for resale	8,200	-	-	8,200
Future DDA projects as listed in the TIF Development Plan	522,449	-	-	522,449
Unreserved:				
Undesignated	2,882,289	-	-	2,882,289
<b>TOTAL FUND BALANCES</b>	<b>6,853,485</b>	<b>-</b>	<b>1,174,288</b>	<b>8,027,773</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,968,483</b>	<b>\$ -</b>	<b>\$ 1,174,288</b>	<b>\$ 8,142,771</b>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

For the year ended June 30, 2005

	Special Revenue Funds	Capital Projects Fund	Permanent Fund	Total Nonmajor Governmental Funds
REVENUES:				
Taxes	\$ 245,610	\$ -	\$ -	\$ 245,610
Local sources	411,099	-	-	411,099
State grants	83,992	-	-	83,992
Federal sources	332	-	-	332
Charges for services	194,232	-	-	194,232
Fines and forfeitures	43,473	-	-	43,473
Interest and dividends	-	-	51,265	51,265
Miscellaneous	427,005	-	-	427,005
TOTAL REVENUES	1,405,743	-	51,265	1,457,008
EXPENDITURES:				
Public safety	15,270	-	-	15,270
Highways, streets and public works	71,369	-	-	71,369
Community services	306,851	-	-	306,851
Cultural	515,304	-	-	515,304
Urban redevelopment and housing	169,156	-	-	169,156
Economic development	87,318	-	-	87,318
Capital projects	-	5,732	-	5,732
Debt service	79,546	-	-	79,546
TOTAL EXPENDITURES	1,244,814	5,732	-	1,250,546
EXCESS REVENUES (EXPENDITURES)	160,929	(5,732)	51,265	206,462
OTHER FINANCING SOURCES (USES):				
Gain (loss) on sale of investments	(34,583)	-	(9,624)	(44,207)
Operating transfers in	265,141	5,732	-	270,873
Operating transfers out	(527,020)	-	(73,445)	(600,465)
TOTAL OTHER FINANCING SOURCES (USES)	(296,462)	5,732	(83,069)	(373,799)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(135,533)	-	(31,804)	(167,337)
Fund balances, beginning of year	6,989,018	-	1,206,092	8,195,110
FUND BALANCES, END OF YEAR	\$ 6,853,485	\$ -	\$ 1,174,288	\$ 8,027,773

See accompanying notes to financial statements.

GENERAL FUND

## CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Cash and equivalents	\$ 5.063	\$ 6.424
Investments, at market	3,474,263	3,637,685
Receivables:		
Accounts, net of bad debt allowance	188,901	152,355
Contracts for rental property	1,599	1,876
Special assessments	43,232	60,301
Accrued interest	44,225	44,374
Due from other funds:		
Grants Fund	59,993	107,754
Sanitary Landfill Fund	8,402	10,012
Health Insurance Fund	-	34,960
Due from other governments:		
State of Michigan	236,655	233,833
Inventory	388,917	419,981
Prepaid expenses	1,603	1,028
TOTAL ASSETS	<u>\$ 4,452,853</u>	<u>\$ 4,710,583</u>
LIABILITIES:		
Accounts payable	\$ 94,119	\$ 131,301
Accrued salaries, wages and fringes	244,942	246,280
Due to other governments	5,756	87,447
Due to other funds:		
Public Safety Pension Fund	-	453
Deferred revenue	53,612	72,594
TOTAL LIABILITIES	<u>398,429</u>	<u>538,075</u>
FUND BALANCES:		
Reserved for:		
Inventory	388,917	419,981
Prepaid expenditures	1,603	1,028
Unreserved:		
Undesignated	3,663,904	3,751,499
TOTAL FUND BALANCES	<u>4,054,424</u>	<u>4,172,508</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,452,853</u>	<u>\$ 4,710,583</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GENERAL FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2005 and 2004

	Budget	Actual	Variance- Favorable (Unfavorable)	2004
REVENUES:				
Taxes	\$ 3,886,250	\$ 3,862,055	\$ (24,195)	\$ 3,725,194
Licenses and permits	2,250	1,306	(944)	1,217
Local sources	10,000	10,000	-	10,000
State grants	1,624,550	1,602,626	(21,924)	1,675,808
Federal sources	149,100	158,914	9,814	105,208
Charges for services	525,125	603,810	78,685	562,609
Fines and forfeitures	39,500	24,339	(15,161)	32,477
Miscellaneous	235,500	261,059	25,559	253,264
TOTAL REVENUES	6,472,275	6,524,109	51,834	6,365,777
EXPENDITURES:				
General government	1,410,497	1,286,835	123,662	1,266,572
Public safety	3,984,530	3,916,237	68,293	3,523,272
Highways, streets and public works	529,941	475,936	54,005	587,344
Sanitation	842,553	825,609	16,944	789,040
Community services	24,148	24,148	-	24,148
Recreation	569,561	528,150	41,411	596,442
Cultural	300	258	42	250
Other functions	13,500	10,951	2,549	13,304
TOTAL EXPENDITURES	7,375,030	7,068,124	306,906	6,800,372
EXCESS REVENUES (EXPENDITURES)	(902,755)	(544,015)	358,740	(434,595)
OTHER FINANCING SOURCES (USES):				
Gain (loss) on sale of investments	-	(32,217)	(32,217)	(116,740)
Operating transfers in	764,548	762,453	(2,095)	775,287
Operating transfers out	(306,800)	(304,305)	2,495	(274,574)
TOTAL OTHER FINANCING SOURCES (USES)	457,748	425,931	(31,817)	383,973
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(445,007)	(118,084)	326,923	(50,622)
Fund balance, beginning of year	445,007	4,172,508	3,727,501	4,223,130
FUND BALANCE, END OF YEAR	\$ -	\$ 4,054,424	\$ 4,054,424	\$ 4,172,508

See accompanying notes to financial statements.

**SPECIAL REVENUE FUNDS**

## CITY OF ESCANABA, MICHIGAN

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET

June 30, 2005,  
with comparative totals for the year ended June 30, 2004

	Parking Maintenance Fund	Downtown Development Authority Fund	Brownfield Fund	Drug Law Enforcement Fund	Library Fund	Housing Rehab Fund
<b>ASSETS:</b>						
Cash and equivalents	\$ -	\$ 2,100	\$ -	\$ 106,218	\$ -	\$ -
Investments, at market	1,768	517,230	10,504	10,296	23,002	78,013
Receivables:						
Accounts, net of bad debt allowance	-	-	-	-	-	-
Mortgages, land contracts and other notes	-	-	-	-	-	-
Accrued interest	33	5,133	97	140	739	796
Due from other funds:						
Grants Fund	-	-	-	-	-	-
Due from other governments:						
State of Michigan	-	-	-	-	12,534	-
Local units	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Real estate held for resale	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,801</b>	<b>\$ 524,463</b>	<b>\$ 10,601</b>	<b>\$ 116,654</b>	<b>\$ 36,275</b>	<b>\$ 78,809</b>
<b>LIABILITIES:</b>						
Accounts payable	\$ -	\$ 2,014	\$ -	\$ -	\$ 7,365	\$ -
Due to other funds:						
Land Development Fund	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
Health Insurance Fund	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>2,014</b>	<b>-</b>	<b>-</b>	<b>7,365</b>	<b>-</b>
<b>FUND BALANCES:</b>						
Reserved for:						
Long term notes receivable	-	-	-	-	-	-
Revolving loans	-	-	-	-	-	-
UPSET expenses	-	-	-	106,218	-	-
Reading materials	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Future DDA projects as listed in the TIF Development Plan	-	522,449	-	-	-	-
Unreserved:						
Undesignated	1,801	-	10,601	10,436	28,910	78,809
<b>TOTAL FUND BALANCES</b>	<b>1,801</b>	<b>522,449</b>	<b>10,601</b>	<b>116,654</b>	<b>28,910</b>	<b>78,809</b>
<b>TOTAL LIABILITIES AND BALANCES</b>	<b>\$ 1,801</b>	<b>\$ 524,463</b>	<b>\$ 10,601</b>	<b>\$ 116,654</b>	<b>\$ 36,275</b>	<b>\$ 78,809</b>

See accompanying notes to financial statements.

Grants Fund	UDAG/DIAL Grant Fund	E.D.A. Revolving Grants Fund	Farmers Home Grant Fund	M.S.C. Revolving Loan Fund II	Land Development Fund	Sanitary Landfill Fund	Totals	
							2005	2004
\$ -	\$ 988,489	\$ 976,916	\$ 74,508	\$ 365,234	\$ 1,308,011	\$ (86)	\$ 108,318	\$ 106,254
-	-	-	-	-	-	22,230	4,353,885	4,368,847
-	966,262	610,283	-	400,035	12,126	-	22,230	27,625
-	9,922	10,572	762	5,027	13,383	1,266	1,988,706	2,117,472
-	-	-	-	-	-	-	47,870	47,108
-	-	-	-	-	-	-	-	35,469
85,396	-	-	-	-	-	-	97,930	326,494
344	-	-	-	-	-	-	344	58,956
-	-	-	-	-	341,000	-	341,000	345,000
-	-	-	-	-	8,200	-	8,200	8,200
<u>\$ 85,740</u>	<u>\$ 1,964,673</u>	<u>\$ 1,597,771</u>	<u>\$ 75,270</u>	<u>\$ 770,296</u>	<u>\$ 1,682,720</u>	<u>\$ 23,410</u>	<u>\$ 6,968,483</u>	<u>\$ 7,441,425</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189	\$ -	\$ 9,568	\$ 59,659
-	-	-	-	-	-	-	-	35,469
59,993	-	-	-	-	-	8,402	68,395	117,766
33	-	-	-	-	-	-	33	-
<u>24,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,127</u>	<u>-</u>	<u>37,002</u>	<u>239,513</u>
<u>84,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,316</u>	<u>8,402</u>	<u>114,998</u>	<u>452,407</u>
-	966,262	610,283	-	400,035	-	-	1,976,580	2,091,709
-	-	987,488	-	370,261	-	-	1,357,749	1,367,197
-	-	-	-	-	-	-	106,218	103,155
-	-	-	-	-	-	-	-	265,625
-	-	-	-	-	8,200	-	8,200	8,200
-	-	-	-	-	-	-	522,449	430,244
<u>839</u>	<u>998,411</u>	<u>-</u>	<u>75,270</u>	<u>-</u>	<u>1,662,204</u>	<u>15,008</u>	<u>2,882,289</u>	<u>2,722,888</u>
<u>839</u>	<u>1,964,673</u>	<u>1,597,771</u>	<u>75,270</u>	<u>770,296</u>	<u>1,670,404</u>	<u>15,008</u>	<u>6,853,485</u>	<u>6,989,018</u>
<u>\$ 85,740</u>	<u>\$ 1,964,673</u>	<u>\$ 1,597,771</u>	<u>\$ 75,270</u>	<u>\$ 770,296</u>	<u>\$ 1,682,720</u>	<u>\$ 23,410</u>	<u>\$ 6,968,483</u>	<u>\$ 7,441,425</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCEFor the Year Ended June 30, 2005,  
with comparative totals for the year ended June 30, 2004

	Parking Maintenance Fund	Downtown Development Authority Fund	Brownfield Fund	Drug Law Enforcement Fund	Library Fund	Housing Rehab Fund
REVENUES:						
Taxes	\$ -	\$ 242,379	\$ 3,231	\$ -	\$ -	\$ -
Local sources	-	-	-	-	205,315	-
State grants	-	-	-	-	25,098	-
Federal sources	-	-	-	-	332	-
Charges for services	13,067	-	-	-	-	-
Fines and forfeitures	-	-	-	21,276	22,197	-
Miscellaneous	109	19,984	360	1,233	19,561	4,379
TOTAL REVENUES	13,176	262,363	3,591	22,509	272,503	4,379
EXPENDITURES:						
Public safety	-	-	-	15,270	-	-
Highways, streets and public works	23,738	-	-	-	-	-
Community services	-	-	-	-	-	-
Cultural	-	-	-	-	515,304	-
Urban redevelopment and housing	-	-	-	-	-	16,958
Economic development	-	87,218	-	-	-	-
Debt service	-	79,546	-	-	-	-
TOTAL EXPENDITURES	23,738	166,764	-	15,270	515,304	16,958
EXCESS REVENUES (EXPENDITURES)	(10,562)	95,599	3,591	7,239	(242,801)	(12,579)
OTHER FINANCING SOURCES (USES):						
Gain (loss) on sale of investments	(10)	(3,394)	(48)	-	(1,205)	(527)
Operating transfers in	10,321	-	-	-	235,800	-
Operating transfers out	-	-	-	-	(265,625)	-
TOTAL OTHER FINANCING SOURCES (USES)	10,311	(3,394)	(48)	-	(31,030)	(527)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(251)	92,205	3,543	7,239	(273,831)	(13,106)
Fund balances, beginning of year	2,052	430,244	7,058	109,415	302,741	91,915
FUND BALANCES, END OF YEAR	\$ 1,801	\$ 522,449	\$ 10,601	\$ 116,654	\$ 28,910	\$ 78,809

See accompanying notes to financial statements.

Grants Fund	UDAG/DIAL Grant Fund	E.D.A. Revolving Grants Fund	Farmers Home Grant Fund	M.S.C. Revolving Loan Fund II	Land Development Fund	Sanitary Landfill Fund	Totals	
							2005	2004
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	245,610	\$ 233,348
203,009	-	-	-	-	2,775	-	411,099	347,689
58,894	-	-	-	-	-	-	83,992	985,225
-	-	-	-	-	-	-	332	88,422
-	-	-	-	-	-	181,165	194,232	200,525
26,726	100,328	67,316	3,095	38,395	142,279	43,473	427,005	177,849
288,629	100,328	67,316	3,095	38,395	145,054	3,240	1,405,743	825,534
-	-	-	-	-	-	-	15,270	255,787
306,851	-	-	-	-	47,550	81	71,369	45,444
-	-	-	-	-	-	-	306,851	1,508,105
-	767	843	-	-	-	-	515,304	516,608
-	-	-	100	150,588	-	-	169,156	136,700
-	-	-	-	-	-	-	87,318	131,606
-	-	-	-	-	-	-	79,546	82,718
306,851	767	843	100	150,588	47,550	81	1,244,814	2,676,968
(18,222)	99,561	66,473	2,995	(112,193)	97,504	184,324	160,929	181,624
-	(6,061)	(7,131)	(560)	(3,092)	(11,908)	(647)	(34,583)	(97,248)
19,020	-	-	-	-	-	-	265,141	584,503
-	-	-	-	-	(76,990)	(184,405)	(527,020)	(914,931)
19,020	(6,061)	(7,131)	(560)	(3,092)	(88,898)	(185,052)	(296,462)	(427,676)
798	93,500	59,342	2,435	(115,285)	8,606	(728)	(135,533)	(246,052)
41	1,871,173	1,538,429	72,835	885,581	1,661,798	15,736	6,989,018	7,235,070
\$ 839	\$ 1,964,673	\$ 1,597,771	\$ 75,270	\$ 770,296	\$ 1,670,404	\$ 15,008	\$ 6,853,485	\$ 6,989,018

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

MAJOR STREET FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 466,136	\$ 578,773
Receivables:		
Accrued interest	5,053	5,715
Due from other governments:		
State of Michigan	<u>161,716</u>	<u>124,438</u>
TOTAL ASSETS	<u>\$ 632,905</u>	<u>\$ 708,926</u>
LIABILITIES:		
Accounts payable	<u>\$ 5,050</u>	<u>\$ 135,666</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>627,855</u>	<u>573,260</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 632,905</u>	<u>\$ 708,926</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

MAJOR STREET FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
State grants:			
Gas and weight tax	\$ 760,000	\$ 708,233	\$ (51,767)
Winter maintenance	-	78,866	78,866
PA 48 annual maintenance fee	59,500	47,389	(12,111)
Danforth Road project	113,600	113,600	-
Miscellaneous:			
Penalties and interest	-	16	16
Interest earnings	17,500	20,026	2,526
TOTAL REVENUES	<u>950,600</u>	<u>968,130</u>	<u>17,530</u>
EXPENDITURES:			
Highways, streets and public works:			
Preservation streets:			
Patching and crack filling	46,964	55,671	(8,707)
Storm sewers	43,827	47,528	(3,701)
Grass and weed cutting	14,393	13,713	680
Sweeping and flushing	42,269	36,079	6,190
Street paving	<u>340,500</u>	<u>329,212</u>	<u>11,288</u>
Total preservation streets	<u>487,953</u>	<u>482,203</u>	<u>5,750</u>
Traffic services - maintenance:			
Pavement markings and signs	<u>55,439</u>	<u>45,441</u>	<u>9,998</u>
Winter maintenance:			
Snow removal	116,800	124,574	(7,774)
Snow plowing	60,619	58,833	1,786
Ice control	<u>50,732</u>	<u>44,173</u>	<u>6,559</u>
Total winter maintenance	<u>228,151</u>	<u>227,580</u>	<u>571</u>
Administration engineering and record keeping	<u>100,980</u>	<u>109,213</u>	<u>(8,233)</u>
TOTAL EXPENDITURES	<u>872,523</u>	<u>864,437</u>	<u>8,086</u>
EXCESS REVENUES (EXPENDITURES)	<u>78,077</u>	<u>103,693</u>	<u>25,616</u>
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(3,819)	(3,819)
Operating transfers in:			
Land Development Fund	18,500	14,721	(3,779)
General Fund	40,000	40,000	-
Operating transfers out:			
Local Street Fund	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(41,500)</u>	<u>(49,098)</u>	<u>(7,598)</u>
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	36,577	54,595	18,018
Fund balance, beginning of year	-	573,260	573,260
FUND BALANCE, END OF YEAR	<u>\$ 36,577</u>	<u>\$ 627,855</u>	<u>\$ 591,278</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

LOCAL STREET FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 291,610	\$ 258,573
Receivables:		
Special assessments	13,563	23,918
Accrued interest	2,593	2,491
Due from other governments:		
State of Michigan	<u>42,564</u>	<u>45,929</u>
TOTAL ASSETS	<u>\$ 350,330</u>	<u>\$ 330,911</u>
LIABILITIES:		
Accounts payable	\$ 2,515	\$ 1,829
Deferred revenue	<u>13,563</u>	<u>23,918</u>
TOTAL LIABILITIES	<u>16,078</u>	<u>25,747</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>334,252</u>	<u>305,164</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 350,330</u>	<u>\$ 330,911</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LOCAL STREET FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
State grants:			
Gas and weight tax	\$ 275.000	\$ 263.102	\$ (11.898)
Miscellaneous:			
Interest earnings	7.000	11.603	4.603
Special assessments	5.000	12.226	7.226
TOTAL REVENUES	287.000	286.931	(69)
EXPENDITURES:			
Highways, streets and public works:			
Preservation streets:			
Patching and crack filling	52.644	59.075	(6.431)
Storm sewers	61.028	35.433	25.595
Sweeping and flushing	35.540	30.338	5.202
Blading	38.412	26.274	12.138
Dust control	14.127	12.968	1.159
Street paving	93.000	95.041	(2.041)
Total preservation streets	294.751	259.129	35.622
Traffic services - maintenance	22.381	14.678	7.703
Winter maintenance:			
Snow removal	23.238	7.195	16.043
Snow plowing	54.464	49.386	5.078
Ice control	29.345	32.193	(2.848)
Total winter maintenance	107.047	88.774	18.273
Administration engineering and record keeping	59.000	66.986	(7.986)
TOTAL EXPENDITURES	483.179	429.567	53.612
EXCESS REVENUES (EXPENDITURES)	(196.179)	(142.636)	53.543
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(1.721)	(1.721)
Operating transfers in:			
Gas Retirement Fund	100.000	73.445	(26.555)
Major Street Fund	100.000	100.000	-
TOTAL OTHER FINANCING SOURCES (USES)	200.000	171.724	(28.276)
EXCESS REVENUES AND OTHER FINANCING SOURCES	3.821	29.088	25.267
Fund balance, beginning of year	-	305.164	305.164
FUND BALANCE, END OF YEAR	\$ 3.821	\$ 334.252	\$ 330.431

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

PARKING MAINTENANCE FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 1,768	\$ 2,048
Receivables:		
Accrued interest	<u>33</u>	<u>4</u>
TOTAL ASSETS	<u>\$ 1,801</u>	<u>\$ 2,052</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>\$ 1,801</u>	<u>\$ 2,052</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

PARKING MAINTENANCE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for services	\$ 13.000	\$ 13.067	\$ 67
Miscellaneous:			
Interest earnings	25	109	84
TOTAL REVENUES	13.025	13.176	151
EXPENDITURES:			
Highways, streets and public works:			
DDA lot maintenance	13.000	13.417	(417)
Non-DDA lot maintenance	12.350	10.321	2.029
TOTAL EXPENDITURES	25.350	23.738	1.612
EXCESS REVENUES (EXPENDITURES)	(12.325)	(10.562)	1.763
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(10)	(10)
Operating transfers in:			
General Fund	12.000	10.321	(1,679)
TOTAL OTHER FINANCING SOURCES (USES)	12.000	10.311	(1.689)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(325)	(251)	74
Fund balance, beginning of year	325	2.052	1.727
FUND BALANCE, END OF YEAR	\$ -	\$ 1,801	\$ 1,801

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

DOWNTOWN DEVELOPMENT AUTHORITY FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Cash and equivalents	\$ 2.100	\$ 3.099
Investments, at market	517.230	450.383
Receivables:		
Accrued interest	5.133	4.625
TOTAL ASSETS	<u>\$ 524.463</u>	<u>\$ 458.107</u>
LIABILITIES:		
Accounts payable	\$ 2.014	\$ 24.421
Deferred revenue	-	3.442
TOTAL LIABILITIES	<u>2.014</u>	<u>27.863</u>
FUND BALANCES:		
Reserved for:		
Future DDA projects as listed in the TIF Development Plan	522.449	430.244
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 524.463</u>	<u>\$ 458.107</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

DOWNTOWN DEVELOPMENT AUTHORITY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$ 215,000	\$ 242,379	\$ 27,379
Miscellaneous:			
Interest earnings	9,637	19,984	10,347
TOTAL REVENUES	224,637	262,363	37,726
EXPENDITURES:			
Economic development:			
Salaries and wages	44,076	28,288	15,788
Fringe benefits	11,548	7,267	4,281
Supplies	5,000	3,294	1,706
Professional services	32,500	4,800	27,700
Communication	2,000	1,427	573
Transportation	2,000	214	1,786
Public relations	15,000	5,906	9,094
Printing & publishing	1,000	993	7
Insurance & bonds	1,200	1,001	199
Public utilities	3,400	2,739	661
Maintenance of parking lots	15,000	13,850	1,150
Capital outlay	7,800	7,777	23
Capital outlay - equipment	1,500	1,472	28
Building maintenance	5,000	4,667	333
Equipment maintenance	1,000	1,096	(96)
Equipment rental	1,750	1,758	(8)
Books, magazines & periodicals	500	219	281
Memberships & dues	700	410	290
Education and training	500	40	460
Debt service:			
Principal retirement	52,000	52,000	-
Interest charges	30,718	27,546	3,172
TOTAL EXPENDITURES	234,192	166,764	67,428
EXCESS REVENUES (EXPENDITURES)	(9,555)	95,599	105,154
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(3,394)	(3,394)
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	(9,555)	92,205	101,760
Fund balance, beginning of year	9,555	430,244	420,689
FUND BALANCE, END OF YEAR	\$ -	\$ 522,449	\$ 522,449

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

**BROWNFIELD FUND  
COMPARATIVE BALANCE SHEET**

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 10,504	\$ 6,990
Receivables:		
Accrued interest	<u>97</u>	<u>68</u>
TOTAL ASSETS	<u>\$ 10,601</u>	<u>\$ 7,058</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>\$ 10,601</u>	<u>\$ 7,058</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

**BROWNFIELD FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE BUDGET AND ACTUAL**

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Taxes	\$ -	\$ 3,231	\$ 3,231
Miscellaneous:			
Interest earnings	-	360	360
TOTAL REVENUES	-	3,591	3,591
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(48)	(48)
EXCESS REVENUES	-	3,543	3,543
Fund balance, beginning of year	-	7,058	7,058
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 10,601</u>	<u>\$ 10,601</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

DRUG LAW ENFORCEMENT FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Cash and equivalents:		
UPSET adjudicated funds	\$ 21,480	\$ 11,887
UPSET federal forfeiture	81,928	81,257
Non-adjudicated account	2,810	10,011
Investments, at market	10,296	6,199
Receivables:		
Accrued interest	140	61
TOTAL ASSETS	<u>\$ 116,654</u>	<u>\$ 109,415</u>
FUND BALANCES:		
Reserved for:		
UPSET expenses	\$ 106,218	\$ 103,155
Unreserved:		
Undesignated	10,436	6,260
TOTAL FUND BALANCES	<u>\$ 116,654</u>	<u>\$ 109,415</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

DRUG LAW ENFORCEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Fines and forfeitures:			
Forfeiture revenue	\$ 126.000	\$ 21.276	\$ (104,724)
Miscellaneous:			
Interest earnings	<u>800</u>	<u>1,233</u>	<u>433</u>
TOTAL REVENUES	<u>126.800</u>	<u>22.509</u>	<u>(104,291)</u>
EXPENDITURES:			
Public safety:			
Transfers to UPSET	120.000	14.607	105.393
Supplies	2.000	581	1,419
Education and training	<u>-</u>	<u>82</u>	<u>(82)</u>
TOTAL EXPENDITURES	<u>122.000</u>	<u>15.270</u>	<u>106,730</u>
EXCESS REVENUES (EXPENDITURES)	4.800	7.239	2.439
Fund balance, beginning of year	<u>-</u>	<u>109,415</u>	<u>109,415</u>
FUND BALANCE, END OF YEAR	<u>\$ 4.800</u>	<u>\$ 116,654</u>	<u>\$ 111,854</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LIBRARY FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Investments, at market	\$ 23.002	\$ 300.360
Receivables:		
Accounts, net of bad debt allowance	-	3,235
Accrued interest	739	1,474
Due from other governments:		
State of Michigan	12.534	2,982
TOTAL ASSETS	<u>\$ 36.275</u>	<u>\$ 308.051</u>
LIABILITIES:		
Accounts payable	<u>\$ 7.365</u>	<u>\$ 5.310</u>
FUND BALANCES:		
Reserved for:		
Reading materials	-	265.625
Unreserved:		
Undesignated	28.910	37.116
TOTAL FUND BALANCES	<u>28.910</u>	<u>302.741</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 36.275</u>	<u>\$ 308.051</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Local sources:			
County contribution	\$ 40,000	\$ 46,786	\$ 6,786
Penal fines	165,000	158,529	(6,471)
State grants:			
State aid	23,500	25,098	1,598
Federal sources:			
Library Services & Technology Grant	-	332	332
Fines and forfeitures:			
Book fines	22,500	22,197	(303)
Miscellaneous:			
Contributions from private sources	13,200	15,444	2,244
Interest earnings	4,000	3,039	(961)
Other	1,000	1,078	78
TOTAL REVENUES	269,200	272,503	3,303
EXPENDITURES:			
Cultural:			
Salaries and wages	229,669	225,793	3,876
Fringe benefits	86,212	84,860	1,352
Supplies	12,100	16,138	(4,038)
Professional services	32,480	28,655	3,825
Communication	5,150	5,956	(806)
Transportation	2,000	2,261	(261)
Printing & publishing	500	296	204
Insurance & bonds	950	782	168
Office rental	74,400	74,400	-
Capital outlay - equipment	13,400	13,238	162
Capital outlay - grant	-	100	(100)
Building maintenance	500	-	500
Equipment maintenance	3,500	2,824	676
Equipment rental	1,800	1,549	251
Books, magazines & periodicals	59,000	55,839	3,161
Memberships & dues	375	433	(58)
Education and training	2,000	2,180	(180)
TOTAL EXPENDITURES	524,036	515,304	8,732
EXCESS REVENUES (EXPENDITURES)	(254,836)	(242,801)	12,035
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(1,205)	(1,205)
Operating transfers in:			
General Fund	235,800	235,800	-
Operating transfers out:			
Bezold Trust Fund	-	(265,625)	(265,625)
TOTAL OTHER FINANCING SOURCES (USES)	235,800	(31,030)	(266,830)
EXCESS REVENUES AND OTHER FINANCING SOURCES (EXPENDITURES AND OTHER FINANCING USES)	(19,036)	(273,831)	(254,795)
Fund balance, beginning of year	19,036	302,741	283,705
FUND BALANCE, END OF YEAR	\$ -	\$ 28,910	\$ 28,910

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

HOUSING REHAB FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Investments, at market	\$ 78.013	\$ 91.176
Receivables:		
Mortgages, land contracts and other notes	-	1.098
Accrued interest	796	763
TOTAL ASSETS	<u>\$ 78.809</u>	<u>\$ 93.037</u>
LIABILITIES:		
Accounts payable	\$ -	\$ 23
Deferred revenue	-	1.099
TOTAL LIABILITIES	<u>-</u>	<u>1.122</u>
FUND BALANCES:		
Unreserved:		
Undesignated	78.809	91.915
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 78.809</u>	<u>\$ 93.037</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

HOUSING REHAB FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Miscellaneous:			
Loan principal repayments	\$ -	\$ 1,099	\$ 1,099
Interest earnings	3,250	3,280	30
TOTAL REVENUES	3,250	4,379	1,129
EXPENDITURES:			
Urban redevelopment and housing:			
Rental rehabilitation	16,600	16,571	29
Administration	500	387	113
TOTAL EXPENDITURES	17,100	16,958	142
EXCESS REVENUES (EXPENDITURES)	(13,850)	(12,579)	1,271
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(527)	(527)
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	(13,850)	(13,106)	744
Fund balance, beginning of year	13,850	91,915	78,065
FUND BALANCE, END OF YEAR	\$ -	\$ 78,809	\$ 78,809

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GRANTS FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Due from other governments:		
State of Michigan	\$ 85,396	\$ 323,512
Local units	344	58,956
TOTAL ASSETS	<u>\$ 85,740</u>	<u>\$ 382,468</u>
LIABILITIES:		
Accounts payable	\$ -	\$ 28,897
Due to other funds:		
Land Development Fund	-	35,469
General Fund	59,993	107,754
Health Insurance Fund	33	-
Deferred revenue	<u>24,875</u>	<u>210,307</u>
TOTAL LIABILITIES	<u>84,901</u>	<u>382,427</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>839</u>	<u>41</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 85,740</u>	<u>\$ 382,468</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

GRANTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Local sources	\$ 133,000	\$ 203,009	\$ 70,009
State grants	191,475	58,894	(132,581)
Miscellaneous	293,063	26,726	(266,337)
TOTAL REVENUES	<u>617,538</u>	<u>288,629</u>	<u>(328,909)</u>
EXPENDITURES:			
Community services:			
North Shore boat launch	15,000	9,077	5,923
Sandpoint Lighthouse restoration	50,000	1,377	48,623
FEMA tanker	133,000	130,237	2,763
Public Safety Communications Grant	-	72,430	(72,430)
Aronson Island boat launch	70,000	67,004	2,996
North Shore fishing pier	293,063	26,726	266,337
Capital outlay	77,725	-	77,725
TOTAL EXPENDITURES	<u>638,788</u>	<u>306,851</u>	<u>331,937</u>
EXCESS REVENUES (EXPENDITURES)	<u>(21,250)</u>	<u>(18,222)</u>	<u>3,028</u>
OTHER FINANCING SOURCES:			
Operating transfers in:			
Land Development Fund	3,750	2,269	(1,481)
General Fund	17,500	16,751	(749)
TOTAL OTHER FINANCING SOURCES	<u>21,250</u>	<u>19,020</u>	<u>(2,230)</u>
EXCESS REVENUES AND OTHER FINANCING SOURCES	-	798	798
Fund balance, beginning of year	-	41	41
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 839</u>	<u>\$ 839</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

UDAG/DIAL GRANT FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Investments, at market	\$ 988,489	\$ 827,795
Receivables:		
Mortgages, land contracts and other notes	966,262	1,034,896
Accrued interest	<u>9,922</u>	<u>8,485</u>
TOTAL ASSETS	<u>\$ 1,964,673</u>	<u>\$ 1,871,176</u>
LIABILITIES:		
Accounts payable	\$ -	\$ 3
FUND BALANCES:		
Reserved for:		
Long term notes receivable	966,262	1,034,896
Unreserved:		
Undesignated	<u>998,411</u>	<u>836,277</u>
TOTAL FUND BALANCES	<u>1,964,673</u>	<u>1,871,173</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,964,673</u>	<u>\$ 1,871,176</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

UDAG/DIAL GRANT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Miscellaneous:			
Interest earnings	\$ 70.000	\$ 91.350	\$ 21.350
Other	<u>20.000</u>	<u>8.978</u>	<u>(11.022)</u>
TOTAL REVENUES	<u>90.000</u>	<u>100.328</u>	<u>10.328</u>
EXPENDITURES:			
Urban redevelopment and housing:			
Administration	<u>1.000</u>	<u>767</u>	<u>233</u>
EXCESS REVENUES	89.000	99.561	10.561
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	<u>-</u>	<u>(6.061)</u>	<u>(6.061)</u>
EXCESS REVENUES	89.000	93.500	4.500
Fund balance, beginning of year	<u>-</u>	<u>1,871.173</u>	<u>1,871.173</u>
FUND BALANCE, END OF YEAR	<u>\$ 89.000</u>	<u>\$ 1,964.673</u>	<u>\$ 1,875.673</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

E.D.A. REVOLVING LOAN FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 976.916	\$ 849.502
Receivables:		
Mortgages, land contracts and other notes	610.283	678.662
Accrued interest	<u>10.572</u>	<u>10,265</u>
TOTAL ASSETS	<u>\$ 1,597.771</u>	<u>\$ 1,538.429</u>
FUND BALANCES:		
Reserved for:		
Long term notes receivable	\$ 610.283	\$ 678.662
Revolving loans	<u>987.488</u>	<u>859,767</u>
TOTAL FUND BALANCES	<u>\$ 1,597.771</u>	<u>\$ 1,538.429</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

E.D.A. REVOLVING LOAN FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Miscellaneous:			
Interest earnings	\$ 62.500	\$ 67.316	\$ 4.816
EXPENDITURES:			
Urban redevelopment and housing:			
Administration	2.000	843	1.157
EXCESS REVENUES (EXPENDITURES)	60.500	66.473	5.973
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(7.131)	(7.131)
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	60.500	59.342	(1.158)
Fund balance, beginning of year	-	1,538,429	1,538,429
FUND BALANCE, END OF YEAR	\$ 60.500	\$ 1,597.771	\$ 1,537.271

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

FARMERS HOME GRANT FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 74,508	\$ 72,055
Receivables:		
Accrued interest	<u>762</u>	<u>780</u>
TOTAL ASSETS	<u>\$ 75,270</u>	<u>\$ 72,835</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>\$ 75,270</u>	<u>\$ 72,835</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

**FARMERS HOMES GRANT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL**

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Miscellaneous:			
Interest earnings	<u>\$ 2,800</u>	<u>\$ 3,095</u>	<u>\$ 295</u>
EXPENDITURES:			
Economic development:			
Administration	<u>250</u>	<u>100</u>	<u>150</u>
EXCESS REVENUES	2,550	2,995	445
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	<u>-</u>	<u>(560)</u>	<u>(560)</u>
EXCESS REVENUES	2,550	2,435	(115)
Fund balance, beginning of year	<u>-</u>	<u>72,835</u>	<u>72,835</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,550</u>	<u>\$ 75,270</u>	<u>\$ 72,720</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
M.S.C. REVOLVING LOAN FUND II  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Investments, at market	\$ 365.234	\$ 502.883
Receivables:		
Mortgages, land contracts and other notes	400.035	378.151
Accrued interest	<u>5.027</u>	<u>4,547</u>
TOTAL ASSETS	<u>\$ 770.296</u>	<u>\$ 885.581</u>
FUND BALANCES:		
Reserved for:		
Long term notes receivable	\$ 400.035	\$ 378.151
Revolving loans	<u>370.261</u>	<u>507.430</u>
TOTAL FUND BALANCES	<u>\$ 770.296</u>	<u>\$ 885.581</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

M.S.C. REVOLVING LOAN FUND II  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Miscellaneous:			
Interest earnings	\$ 37,500	\$ 38,395	\$ 895
EXPENDITURES:			
Urban redevelopment and housing:			
Professional services	2,000	867	1,133
Land acquisition	155,000	149,721	5,279
TOTAL EXPENDITURES	157,000	150,588	6,412
EXCESS REVENUES (EXPENDITURES)	(119,500)	(112,193)	7,307
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(3,092)	(3,092)
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	(119,500)	(115,285)	4,215
Fund balance, beginning of year	119,500	885,581	766,081
FUND BALANCE, END OF YEAR	\$ -	\$ 770,296	\$ 770,296

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LAND DEVELOPMENT FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Investments, at market	\$ 1,308,011	\$ 1,258,895
Receivables:		
Mortgages, land contracts and other notes	12,126	24,665
Accrued interest	13,383	15,239
Due from other funds:		
Grants Fund	-	35,469
Advances to other funds	341,000	345,000
Real estate held for resale	8,200	8,200
TOTAL ASSETS	<u>\$ 1,682,720</u>	<u>\$ 1,687,468</u>
LIABILITIES:		
Accounts payable	\$ 189	\$ 1,005
Deferred revenue	12,127	24,665
TOTAL LIABILITIES	<u>12,316</u>	<u>25,670</u>
FUND BALANCES:		
Reserved for:		
Land held for resale	8,200	8,200
Unreserved:		
Undesignated	1,662,204	1,653,598
TOTAL FUND BALANCES	<u>1,670,404</u>	<u>1,661,798</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,682,720</u>	<u>\$ 1,687,468</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

LAND DEVELOPMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Local sources:			
Contributions from private sources	\$ 3.600	\$ 2.775	\$ (825)
Miscellaneous:			
Interest earnings	73.300	74.062	762
Rents	-	4.978	4.978
Sale of property	50.000	57.269	7.269
Sale of sand/topsoil	4.000	5.970	1.970
TOTAL REVENUES	<u>130.900</u>	<u>145.054</u>	<u>14.154</u>
EXPENDITURES:			
Highways, streets and public works:			
Public utilities	-	123	(123)
Professional services	2.000	2.197	(197)
Equipment rental	-	115	(115)
Purchase of easements	-	2	(2)
Property improvements	46.000	45.113	887
TOTAL EXPENDITURES	<u>48.000</u>	<u>47.550</u>	<u>450</u>
EXCESS REVENUES	<u>82.900</u>	<u>97.504</u>	<u>14.604</u>
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(11.908)	(11.908)
Operating transfers out:			
Grants Fund	(3.750)	(2.269)	1.481
Major Street Fund	(18.500)	(14.721)	3.779
General Fund	(60.000)	(60.000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(82.250)</u>	<u>(88.898)</u>	<u>(6.648)</u>
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	650	8.606	7.956
Fund balance, beginning of year	<u>-</u>	<u>1.661.798</u>	<u>1.661.798</u>
FUND BALANCE, END OF YEAR	<u>\$ 650</u>	<u>\$ 1.670.404</u>	<u>\$ 1.669.754</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

SANITARY LANDFILL FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Investments, at market	\$ (86)	\$ 561
Receivables:		
Accounts, net of bad debt allowance	22,230	24,390
Accrued interest	<u>1,266</u>	<u>797</u>
TOTAL ASSETS	<u>\$ 23,410</u>	<u>\$ 25,748</u>
LIABILITIES:		
Due to other funds:		
General Fund	<u>8,402</u>	<u>10,012</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>15,008</u>	<u>15,736</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 23,410</u>	<u>\$ 25,748</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

SANITARY LANDFILL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Charges for services:			
Metered sales	\$ 183.500	\$ 181.165	\$ (2.335)
Miscellaneous:			
Interest earnings	<u>3.000</u>	<u>3.240</u>	<u>240</u>
TOTAL REVENUES	<u>186.500</u>	<u>184.405</u>	<u>(2.095)</u>
EXPENDITURES:			
Highways, streets and public works:			
Professional services	100	100	-
Uncollectible accounts	<u>300</u>	<u>(19)</u>	<u>319</u>
TOTAL EXPENDITURES	<u>400</u>	<u>81</u>	<u>319</u>
EXCESS REVENUES	<u>186.100</u>	<u>184.324</u>	<u>(1.776)</u>
OTHER FINANCING SOURCES (USES):			
Gain (loss) on sale of investments	-	(647)	(647)
Operating transfers out:			
General Fund	<u>(186.500)</u>	<u>(184.405)</u>	<u>2.095</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(186.500)</u>	<u>(185.052)</u>	<u>1.448</u>
EXCESS REVENUES (EXPENDITURES AND OTHER FINANCING USES)	(400)	(728)	(328)
Fund balance, beginning of year	<u>400</u>	<u>15.736</u>	<u>15.336</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 15.008</u>	<u>\$ 15.008</u>

See accompanying notes to financial statements.

CAPITAL PROJECTS FUND

CITY OF ESCANABA, MICHIGAN

CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES:		
Unreserved:		
Undesignated	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE BUDGET AND ACTUAL

For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES:			
Capital projects:			
Ludington Street	\$ 6,000	\$ 5,732	\$ 268
EXCESS REVENUES (EXPENDITURES)	<u>(6,000)</u>	<u>(5,732)</u>	<u>268</u>
OTHER FINANCING SOURCES:			
Operating transfers in:			
Electric Fund	1,500	1,433	(67)
Water Utility Fund	1,500	1,433	(67)
Waste Water Fund	1,500	1,433	(67)
General Fund	<u>1,500</u>	<u>1,433</u>	<u>(67)</u>
TOTAL OTHER FINANCING SOURCES	<u>6,000</u>	<u>5,732</u>	<u>(268)</u>
EXCESS REVENUES AND OTHER FINANCING SOURCES	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**ENTERPRISE FUNDS**

## CITY OF ESCANABA, MICHIGAN

ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWSFor the year ended June 30, 2005  
with comparative totals for June 30, 2004

	Electric Utility Fund	Water Utility Fund	Waste Water Utility Fund	Marina Fund	Totals	
					2005	2004
<b>CASH FLOWS FROM ACTIVITIES:</b>						
Cash received from customers	\$ 12,347,199	\$ -	\$ -	211,493	\$ 12,558,692	\$ 11,055,056
Cash received from other funds for purchase of receivables	-	1,282,266	990,862	-	2,273,128	2,261,608
Cash received from other funds for services	-	-	5,116	-	5,116	25,415
Cash payments to suppliers for goods and services	(12,116,824)	(495,816)	(568,361)	(98,136)	(13,279,137)	(11,202,351)
Cash payments to employees for services	(506,776)	(621,634)	(342,690)	(104,946)	(1,576,046)	(1,410,670)
Cash payments to other funds for services	(14,178)	(18,253)	(30,274)	(3,735)	(66,440)	(64,787)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(290,579)</b>	<b>146,563</b>	<b>54,653</b>	<b>4,676</b>	<b>(84,687)</b>	<b>664,271</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>						
Net interfund loan transactions	11,364	-	-	(15,364)	(4,000)	(3,000)
Operating transfers out	(519,481)	(1,433)	(1,433)	-	(522,347)	(582,965)
<b>NET CASH USED FOR NON-CAPITAL FINANCING ACTIVITIES</b>	<b>(508,117)</b>	<b>(1,433)</b>	<b>(1,433)</b>	<b>(15,364)</b>	<b>(526,347)</b>	<b>(585,965)</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>						
Bond proceeds	-	-	-	-	-	503,646
State revenue	-	-	-	250	250	-
Contribution of capital assets	20,254	20,324	-	-	40,578	12,900
Acquisition and construction of capital assets	(1,473,921)	(221,641)	(6,621)	-	(1,702,183)	(1,012,316)
Proceeds from sale of property	-	-	-	-	-	22,499
Principal paid on revenue bond maturities	-	(110,000)	(115,000)	-	(225,000)	(115,000)
Interest paid	-	(66,959)	(31,656)	(18,669)	(117,284)	(110,559)
<b>NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES</b>	<b>(1,453,667)</b>	<b>(378,276)</b>	<b>(153,277)</b>	<b>(18,419)</b>	<b>(2,003,639)</b>	<b>(698,830)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Gain (loss) on sale of investments	(170,173)	(5,285)	(17,887)	(657)	(194,002)	(668,180)
Interest received	973,620	26,219	95,907	3,293	1,099,039	1,174,558
Rent received	-	15,000	-	-	15,000	13,800
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>803,447</b>	<b>35,934</b>	<b>78,020</b>	<b>2,636</b>	<b>920,037</b>	<b>520,178</b>
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	<b>(1,448,916)</b>	<b>(197,212)</b>	<b>(22,037)</b>	<b>(26,471)</b>	<b>(1,694,636)</b>	<b>(100,346)</b>
Cash and equivalents, beginning of year	23,513,653	755,711	2,375,237	115,326	26,759,927	26,860,273
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<b>\$ 22,064,737</b>	<b>\$ 558,499</b>	<b>\$ 2,353,200</b>	<b>\$ 88,855</b>	<b>\$ 25,065,291</b>	<b>\$ 26,759,927</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>						
Operating income (loss)	\$ (1,543,613)	\$ (59,180)	\$ (128,813)	\$ (51,324)	\$ (1,782,930)	\$ (234,694)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	956,830	246,059	200,214	62,736	1,465,839	1,327,482
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(553,763)	(36,382)	(11,123)	3,881	(597,387)	(28,794)
(Increase) decrease in inventory	(1,330,354)	1,333	1,264	(2,366)	(1,330,123)	516,374
(Increase) decrease in prepaid expenses	(62,249)	-	-	-	(62,249)	(95,235)
Increase (decrease) in accounts payable	2,222,093	6,215	(9,205)	(8,251)	2,210,852	(841,340)
Increase (decrease) in accruals	7,075	(11,482)	2,316	-	(2,091)	18,074
Increase (decrease) in customer deposits	13,402	-	-	-	13,402	4,460
Increase (decrease) in other liabilities	-	-	-	-	-	(2,056)
<b>Total adjustments</b>	<b>1,253,034</b>	<b>205,743</b>	<b>183,466</b>	<b>56,000</b>	<b>1,698,243</b>	<b>898,965</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (290,579)</b>	<b>\$ 146,563</b>	<b>\$ 54,653</b>	<b>\$ 4,676</b>	<b>\$ (84,687)</b>	<b>\$ 664,271</b>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
ELECTRIC UTILITY FUND  
COMPARATIVE STATEMENT OF NET ASSETS

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Current assets:		
Cash	\$ 1,326,845	\$ 1,387,208
Investments, at market	20,737,892	22,126,445
Receivables:		
Accounts	1,874,617	1,320,854
Accrued interest	219,672	240,573
Inventories, net of obsolescence allowance	1,688,907	358,553
Prepaid expenses	<u>157,484</u>	<u>95,235</u>
Total current assets	<u>26,005,417</u>	<u>25,528,868</u>
Advance to Marina Fund	<u>24,112</u>	<u>35,476</u>
Property, plant and equipment	27,950,958	26,490,209
Less accumulated depreciation	<u>(19,137,997)</u>	<u>(18,194,339)</u>
Net, property, plant and equipment	<u>8,812,961</u>	<u>8,295,870</u>
TOTAL ASSETS	<u>\$ 34,842,490</u>	<u>\$ 33,860,214</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	\$ 2,581,242	\$ 359,149
Customer deposits	168,574	155,172
Accrued salaries, wages and fringes	<u>96,633</u>	<u>89,558</u>
TOTAL LIABILITIES	<u>2,846,449</u>	<u>603,879</u>
NET ASSETS:		
Invested in capital assets, net of related debt	8,812,961	8,295,870
Unrestricted	<u>23,183,080</u>	<u>24,960,465</u>
TOTAL NET ASSETS	<u>31,996,041</u>	<u>33,256,335</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 34,842,490</u>	<u>\$ 33,860,214</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

ELECTRIC UTILITY FUND  
COMPARATIVE STATEMENT OF REVENUES,  
EXPENSES AND CHANGES NET ASSETS

For the Years Ended June 30, 2005 and 2004

	June 30	
	2005	2004
OPERATING REVENUES:		
Charges for services:		
Residential sales	\$ 2,549,235	\$ 2,544,708
Hot water sales	31,797	33,305
Electric heat sales	29,007	40,108
Commercial sales	3,386,231	3,373,317
Industrial sales	3,411,999	3,035,338
Municipal rate sales	423,355	423,974
Street lighting	112,804	109,779
Fuel surcharge	138,395	-
Generator capacity payments	865,333	644,155
Interchange revenue	1,833,710	594,896
Connection charges	20,094	13,528
Dusk to dawn lighting	46,446	46,902
Miscellaneous revenues	39,164	29,669
TOTAL OPERATING REVENUES	<u>12,887,570</u>	<u>10,889,679</u>
OPERATING EXPENSES:		
Production	11,597,331	8,606,565
Transmission and distribution	296,519	317,025
Customer service	23,114	22,435
Administrative and general	1,023,914	731,498
Provision for depreciation	956,830	854,543
Overhead to utilities	533,475	507,303
TOTAL OPERATING EXPENSES	<u>14,431,183</u>	<u>11,039,369</u>
OPERATING INCOME (LOSS)	<u>(1,543,613)</u>	<u>(149,690)</u>
NON-OPERATING REVENUES (EXPENSES):		
Gain (loss) on sale of investments	(170,173)	(590,507)
Gain (loss) sale of property	-	22,499
Interest earnings	952,719	973,125
Operating transfers out:		
Capital Projects Fund	(1,433)	(15,712)
Grants Fund	-	(14,800)
General Fund	(518,048)	(518,048)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>263,065</u>	<u>(143,443)</u>
CHANGE IN NET ASSETS	<u>(1,280,548)</u>	<u>(293,133)</u>
Net assets, beginning of year	33,256,335	33,549,468
Add: Contributed capital	20,254	-
NET ASSETS, END OF YEAR	<u>\$ 31,996,041</u>	<u>\$ 33,256,335</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

ELECTRIC UTILITY FUND  
COMPARATIVE STATEMENT OF CASH FLOWSFor the year ended June 30, 2005  
with comparative totals for June 30, 2004

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$12,347.199	\$10,827.039
Cash payments to suppliers for goods and services	(12,116.824)	(9,971.911)
Cash payments to employees for services	(506.776)	(469.095)
Cash payments to other funds for services	(14,178)	(14,694)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(290.579)</u>	<u>371.339</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Repayment of interfund loans	11,364	10,928
Operating transfers out	(519,481)	(548,560)
NET CASH USED FOR NON-CAPITAL FINANCING ACTIVITIES	<u>(508,117)</u>	<u>(537,632)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Contribution of capital assets	20,254	12,900
Acquisition and construction of capital assets	(1,473,921)	(436,783)
Proceeds from sale of property	-	22,499
NET CASH USED BY CAPITAL FINANCING ACTIVITIES	<u>(1,453,667)</u>	<u>(401,384)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Gain (loss) on sale of investments	(170,173)	(590,507)
Interest received	973,620	1,036,634
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>803,447</u>	<u>446,127</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(1,448,916)	(121,550)
Cash and equivalents, beginning of year	<u>23,513,653</u>	<u>23,635,203</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$22,064,737</u>	<u>\$23,513,653</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	<u>\$(1,543,613)</u>	<u>\$ (149,690)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	956,830	854,543
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(553,763)	(67,100)
(Increase) decrease in inventories, net of obsolescence	(1,330,354)	522,916
(Increase) decrease in prepaid expenses	(62,249)	(95,235)
Increase (decrease) in accounts payable	2,222,093	(705,742)
Increase (decrease) in accruals	7,075	7,187
Increase (decrease) in customer deposits	13,402	4,460
Total adjustments	<u>1,253,034</u>	<u>521,029</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (290,579)</u>	<u>\$ 371,339</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

ELECTRIC UTILITY FUND  
COMPARATIVE SCHEDULE OF OPERATING EXPENSES

For the Years Ended June 30, 2005 and 2004

	June 30		Increase (Decrease)
	2005	2004	
OPERATING EXPENSES:			
Production:			
Power purchased	\$ 9,866,735	\$ 7,728,460	\$ 2,138,275
Standby power	1,324,976	465,554	859,422
Production expense	344,196	354,713	(10,517)
Management fees	34,339	32,484	1,855
Dispatching fees	27,085	25,354	1,731
Total production	<u>\$ 11,597,331</u>	<u>\$ 8,606,565</u>	<u>\$ 2,990,766</u>
Transmission and distribution:			
Supplies	\$ 519	\$ -	\$ 519
Equipment rental	564	5	559
Building maintenance	15	89	(74)
Equipment maintenance	416	1,047	(631)
Operation of lines	58,796	90,743	(31,947)
Services on customer premises	6,140	8,246	(2,106)
Maintenance of equipment:			
Station equipment	11,494	5,161	6,333
Overhead system	57,146	67,276	(10,130)
Line transformers and devices	9,121	12,322	(3,201)
Services	32,087	30,086	2,001
Meters	57,897	50,524	7,373
Street lighting system	35,911	33,431	2,480
Underground system	23,412	15,434	7,978
Miscellaneous	3,001	2,661	340
Total transmission and distribution	<u>\$ 296,519</u>	<u>\$ 317,025</u>	<u>\$ (20,506)</u>
Customer service:			
Salaries and wages	\$ 18,264	\$ 17,195	\$ 1,069
Equipment rental	4,850	5,240	(390)
Total customer service	<u>\$ 23,114</u>	<u>\$ 22,435</u>	<u>\$ 679</u>
Administrative and general:			
Salaries and wages	\$ 360,685	\$ 342,049	\$ 18,636
Fringe benefits	134,902	117,038	17,864
Supplies	1,547	2,188	(641)
Clothing supplies	3,806	3,500	306
Building supplies	1,612	1,240	372
Professional services	377,226	108,993	268,233
Transportation	33	-	33
Printing & publishing	-	173	(173)
Insurance & bonds	23,359	27,317	(3,958)
Public utilities	24,398	22,183	2,215
Building maintenance	21,339	20,928	411
Equipment maintenance	4,549	4,901	(352)
Equipment rental	8,764	9,449	(685)
Books, magazines & periodicals	251	185	66
Memberships & dues	13,695	13,398	297
Education and training	19,963	23,034	(3,071)
Provision for uncollectible accounts	(1,082)	4,624	(5,706)
Promotions	28,617	30,248	(1,631)
Miscellaneous	250	50	200
Total administrative and general	<u>\$ 1,023,914</u>	<u>\$ 731,498</u>	<u>\$ 292,416</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
ELECTRIC UTILITY FUND  
SCHEDULE OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

For the year ended June 30, 2005

	Balance 06/30/04	Additions	Retirements, Dispositions and Transfers	Balance 06/30/05
Operating plant:				
Structure and improvements	\$ 4,770,027	\$ 218,473	\$ -	\$ 4,988,500
Boiler plant equipment	1,467,166	-	-	1,467,166
Turbo generator units	1,315,044	-	-	1,315,044
Accessory work equipment	511,583	-	-	511,583
Miscellaneous power plant equipment	473,262	158,676	-	631,938
Office equipment power plant	275	-	-	275
Peaking generator	3,765,573	850,000	-	4,615,573
Pollution equipment	3,338,019	-	-	3,338,019
	<u>15,640,949</u>	<u>1,227,149</u>	<u>-</u>	<u>16,868,098</u>
Transmission system:				
Land clearing and right-of-way	65,432	-	-	65,432
Structures and improvements	488,869	-	-	488,869
Station equipment	698,195	-	-	698,195
Poles and fixtures	12,630	-	-	12,630
	<u>1,265,126</u>	<u>-</u>	<u>-</u>	<u>1,265,126</u>
Distribution system:				
Land and land rights	49,480	-	-	49,480
Structures and improvements	47,323	-	-	47,323
Station equipment	249,385	-	-	249,385
Poles, towers and fixtures	1,100,249	19,567	3,072	1,116,744
Overhead conductors and devices	997,272	23,443	-	1,020,715
Underground conduits	489,324	84,785	-	574,109
Underground conductors	721,295	15,298	-	736,593
Line transformers	1,678,230	86,487	800	1,763,917
New services	677,209	7,334	-	684,543
Meters	499,262	18,461	9,300	508,423
Installation on customer premises	71,583	1,294	-	72,877
Street lighting	737,600	-	-	737,600
Office equipment	92,217	-	-	92,217
Transportation equipment	485,722	7,098	-	492,820
Laboratory equipment	95,673	405	-	96,078
Electric building	1,451,274	-	-	1,451,274
Miscellaneous tools	62,442	2,317	-	64,759
Miscellaneous equipment	51,722	-	-	51,722
	<u>9,557,262</u>	<u>266,489</u>	<u>13,172</u>	<u>9,810,579</u>
Construction in progress	<u>26,872</u>	<u>7,155</u>	<u>26,872</u>	<u>7,155</u>
TOTALS	<u>\$26,490,209</u>	<u>\$ 1,500,793</u>	<u>\$ 40,044</u>	<u>\$27,950,958</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
COMPARATIVE STATEMENT OF NET ASSETS

June 30, 2005 and 2004

	June 30	
	2005	2004
ASSETS:		
Current assets:		
Investments, at market	\$ 443,680	\$ 652,610
Receivables:		
Accounts	197,238	160,856
Accrued interest	5,615	7,824
Chemical inventory	6,538	7,871
Total current assets	653,071	829,161
Restricted assets:		
Operation and maintenance account:		
Equity in pooled cash and investments	114,819	103,101
Property, plant and equipment	13,360,631	13,157,395
Less accumulated depreciation	(4,648,247)	(4,420,593)
Net, property, plant and equipment	8,712,384	8,736,802
TOTAL ASSETS	\$ 9,480,274	\$ 9,669,064
LIABILITIES:		
Current liabilities:		
Accounts payable	\$ 23,397	\$ 17,182
Accrued salaries, wages and fringes	79,686	91,168
Accrued interest payable	16,500	14,040
Bonds payable:		
Current portion of revenue bonds	110,000	110,000
Total current liabilities	229,583	232,390
Long-term liabilities:		
Bonds payable	2,530,000	2,640,000
TOTAL LIABILITIES	2,759,583	2,872,390
NET ASSETS:		
Invested in capital assets, net of related debt	6,072,384	5,986,802
Unrestricted	533,488	706,771
Restricted:		
Revenue bond indentures	114,819	103,101
TOTAL NET ASSETS	6,720,691	6,796,674
TOTAL LIABILITIES AND NET ASSETS	\$ 9,480,274	\$ 9,669,064

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
COMPARATIVE STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET ASSETS

For the Years Ended June 30, 2005 and 2004

	June 30	
	2005	2004
OPERATING REVENUES:		
Charges for services:		
Metered sales	\$ 1,214,393	\$ 1,161,794
Flat rate sales	5,479	5,791
Hydrant rental	73,084	69,676
Interdepartmental sales	-	12,022
Reconnection fees	2,889	2,716
Miscellaneous revenues	22,803	6,369
TOTAL OPERATING REVENUES	<u>1,318,648</u>	<u>1,258,368</u>
OPERATING EXPENSES:		
Production	312,110	241,016
Transmission and distribution	135,678	142,753
Customer service	30,476	30,969
Administrative and general	467,187	434,995
Provision for depreciation	246,059	208,464
Overhead to utilities	186,318	179,020
TOTAL OPERATING EXPENSES	<u>1,377,828</u>	<u>1,237,217</u>
OPERATING INCOME (LOSS)	<u>(59,180)</u>	<u>21,151</u>
NON-OPERATING REVENUES (EXPENSES):		
Gain (loss) on sale of investments	(5,285)	(9,545)
Rent received	15,000	13,800
Interest earnings	24,010	29,575
Interest expense	(69,419)	(59,311)
Operating transfers out:		
Capital Projects Fund	(1,433)	(15,712)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(37,127)</u>	<u>(41,193)</u>
CHANGE IN NET ASSETS	(96,307)	(20,042)
Net assets, beginning of year	6,796,674	6,816,716
Add: Contributed capital	20,324	-
NET ASSETS, END OF YEAR	<u>\$ 6,720,691</u>	<u>\$ 6,796,674</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
COMPARATIVE STATEMENT OF CASH FLOWSFor the year ended June 30, 2005  
with comparative totals for June 30, 2004

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from other funds for purchase of receivables	\$ 1,282,266	\$ 1,337,922
Cash received from other funds for services	-	12,022
Cash payments to suppliers for goods and services	(495,816)	(586,915)
Cash payments to employees for services	(621,634)	(568,514)
Cash payments to other funds for services	<u>(18,253)</u>	<u>(18,147)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>146,563</u>	<u>176,368</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Operating transfers out	<u>(1,433)</u>	<u>(15,712)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Bond proceeds	-	503,646
Contribution of capital assets	20,324	-
Acquisition and construction of capital assets	(221,641)	(535,454)
Principal paid on revenue bond maturities	(110,000)	-
Interest paid on bonds	<u>(66,959)</u>	<u>(57,235)</u>
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(378,276)</u>	<u>(89,043)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Gain (loss) on sale of investments	(5,285)	(9,545)
Interest received	26,219	28,266
Rent received	<u>15,000</u>	<u>13,800</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>35,934</u>	<u>32,521</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(197,212)	104,134
Cash and equivalents, beginning of year	<u>755,711</u>	<u>651,577</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 558,499</u>	<u>\$ 755,711</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (59,180)	\$ 21,151
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	246,059	208,464
Changes in assets and liabilities:		
(Increase) decrease in receivables	(36,382)	93,632
(Increase) decrease in chemical inventory	1,333	(427)
Increase (decrease) in accounts payable	6,215	(149,699)
Increase (decrease) in accruals	(11,482)	5,303
Increase (decrease) in other liabilities	<u>-</u>	<u>(2,056)</u>
Total adjustments	<u>205,743</u>	<u>155,217</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 146,563</u>	<u>\$ 176,368</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
COMPARATIVE SCHEDULE OF OPERATING EXPENSES

For the Years Ended June 30, 2005 and 2004

	June 30		Increase (Decrease)
	2005	2004	
OPERATING EXPENSES:			
Production:			
Salaries and wages	\$ 163,969	\$ 156,294	\$ 7,675
Plant chemicals	68,971	58,791	10,180
Laboratory chemicals and supplies	14,591	16,282	(1,691)
Diesel fuel	1,651	541	1,110
Repairs to structures - supplies	25,101	49	25,052
Repairs to equipment - portable	37,309	8,575	28,734
Repairs to tanks	18	28	(10)
Equipment rental - structures and improvement	-	453	(453)
Equipment rental - maintenance of equipment	500	3	497
Total production	<u>\$ 312,110</u>	<u>\$ 241,016</u>	<u>\$ 71,094</u>
Transmission and distribution:			
Labor	\$ 107,045	\$ 112,510	\$ (5,465)
Supplies	16,000	17,579	(1,579)
Equipment rental	12,633	12,664	(31)
Total transmission and distribution	<u>\$ 135,678</u>	<u>\$ 142,753</u>	<u>\$ (7,075)</u>
Customer service:			
Labor	\$ 24,215	\$ 24,100	\$ 115
Supplies	2,260	2,248	12
Thawing water services	291	729	(438)
Equipment rental	3,710	3,892	(182)
Total customer service	<u>\$ 30,476</u>	<u>\$ 30,969</u>	<u>\$ (493)</u>
Administrative and general:			
Salaries and wages	\$ 118,959	\$ 112,582	\$ 6,377
Telephone	3,657	3,197	460
Overhead on salaries and wages	95,726	77,453	18,273
Life and hospital insurance	100,238	90,878	9,360
Supplies - miscellaneous	1,042	1,852	(810)
Office supplies	1,026	645	381
Building supplies	1,019	749	270
Professional services	570	784	(214)
Special services	4,398	4,075	323
Miss Dig	15,338	14,133	1,205
Travel expense, auto allowance	972	1,612	(640)
Sales promotion	-	88	(88)
Printing and publishing	3,192	2,693	499
Insurance and bonds	18,060	18,918	(858)
Utilities - electric	62,651	64,563	(1,912)
Utilities - gas	29,425	25,531	3,894
Utilities - wastewater	5,116	9,813	(4,697)
Repairs to structures	787	621	166
Repairs to equipment	423	770	(347)
Rental of equipment	1,410	1,135	275
Uncollectible accounts	(127)	465	(592)
Memberships and dues	750	265	485
Education and training	2,159	1,879	280
Book, magazines and periodicals	396	294	102
Total administrative and general	<u>\$ 467,187</u>	<u>\$ 434,995</u>	<u>\$ 32,192</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
SCHEDULE OF BOND PRINCIPAL AND INTEREST MATURITIES

June 30, 2005

CITY OF ESCANABA DRINKING WATER PROGRAM  
PROJECT #7009-01 - ISSUED JUNE 27, 2002

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
October 1, 2005	\$ 110,000	\$ 33,000	4 143,000
April 1, 2006	-	31,625	31,625
October 1, 2006	115,000	31,625	146,625
April 1, 2007	-	30,188	30,188
October 1, 2007	115,000	30,188	145,188
April 1, 2008	-	28,750	28,750
October 1, 2008	120,000	28,750	148,750
April 1, 2009	-	27,250	27,250
October 1, 2009	120,000	27,250	147,250
April 1, 2010	-	25,750	25,750
October 1, 2010	125,000	25,750	150,750
April 1, 2011	-	24,187	24,187
October 1, 2011	130,000	24,187	154,187
April 1, 2012	-	22,563	22,563
October 1, 2012	130,000	22,563	152,563
April 1, 2013	-	20,937	20,937
October 1, 2013	135,000	20,937	155,937
April 1, 2014	-	19,250	19,250
October 1, 2014	135,000	19,250	154,250
April 1, 2015	-	17,563	17,563
October 1, 2015	140,000	17,563	157,563
April 1, 2016	-	15,812	15,812
October 1, 2016	145,000	15,812	160,812
April 1, 2017	-	14,000	14,000
October 1, 2017	150,000	14,000	164,000
April 1, 2018	-	12,125	12,125
October 1, 2018	150,000	12,125	162,125
April 1, 2019	-	10,250	10,250
October 1, 2019	155,000	10,250	165,250
April 1, 2020	-	8,313	8,313
October 1, 2020	160,000	8,313	168,313
April 1, 2021	-	6,312	6,312
October 1, 2021	165,000	6,312	171,312
April 1, 2022	-	4,250	4,250
October 1, 2022	170,000	4,250	174,250
April 1, 2023	-	2,125	2,125
October 1, 2023	170,000	2,125	172,125
	<u>\$2,640,000</u>	<u>\$ 675,500</u>	<u>\$3,315,500</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WATER UTILITY FUND  
SCHEDULE OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

For the year ended June 30, 2005

	Balance 06/30/04	Additions	Retirements and Transfers	Balance 06/30/05
Land	\$ 5,600	\$ -	\$ -	\$ 5,600
Filter plant	5,991,171	171,115	-	6,162,286
Water towers	556,356	-	-	556,356
Lake intake	9,947	-	-	9,947
Fountain	4,410	-	-	4,410
Wells	76,068	-	-	76,068
Electric pumping equipment	188,426	-	-	188,426
Purification system	77,805	-	-	77,805
Transmission mains	572,019	-	-	572,019
Distribution mains	4,996,609	20,325	-	5,016,934
Meters	361,752	17,678	15,997	363,433
Hydrants	83,562	-	-	83,562
Office furniture and equipment	43,264	34,675	-	77,939
Laboratory equipment	37,968	2,682	2,408	38,242
Miscellaneous equipment	16,799	-	-	16,799
Tools and works equipment	<u>106,553</u>	<u>4,252</u>	<u>-</u>	<u>110,805</u>
Subtotal	13,128,309	250,727	18,405	13,360,631
Construction in progress	<u>29,086</u>	<u>-</u>	<u>29,086</u>	<u>-</u>
TOTALS	<u>\$13,157,395</u>	<u>\$ 250,727</u>	<u>\$ 47,491</u>	<u>\$13,360,631</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
WASTE WATER UTILITY FUND  
COMPARATIVE STATEMENT OF NET ASSETS

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Current assets:		
Investments, at market	\$ 2,122,691	\$ 2,149,966
Receivables:		
Accounts	136,026	124,903
Accrued interest	22,918	25,002
Chemical inventory	<u>6,759</u>	<u>8,023</u>
Total current assets	<u>2,288,394</u>	<u>2,307,894</u>
Restricted assets:		
Operation and maintenance account:		
Equity in pooled cash and investments	94,659	89,421
Replacement account:		
Equity in pooled cash and investments	50,000	50,000
Bond reserve account:		
Investments, at market	<u>85,850</u>	<u>85,850</u>
Total restricted assets	<u>230,509</u>	<u>225,271</u>
Property, plant and equipment	11,582,659	11,576,038
Less accumulated depreciation	<u>(4,646,024)</u>	<u>(4,445,810)</u>
Net property, plant and equipment	<u>6,936,635</u>	<u>7,130,228</u>
TOTAL ASSETS	<u>\$ 9,455,538</u>	<u>\$ 9,663,393</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	\$ 2,942	\$ 12,147
Accrued salaries, wages and fringes	71,359	69,043
Accrued interest payable	7,613	8,216
Payable from restricted assets:		
Current portion of revenue bonds	<u>115,000</u>	<u>115,000</u>
Total current liabilities	<u>196,914</u>	<u>204,406</u>
Long-term liabilities:		
Revenue bonds payable	<u>1,315,000</u>	<u>1,430,000</u>
TOTAL LIABILITIES	<u>1,511,914</u>	<u>1,634,406</u>
NET ASSETS:		
Invested in capital assets, net of related debt	5,506,635	5,585,228
Unrestricted	2,206,480	2,218,488
Restricted:		
Revenue bond indentures	<u>230,509</u>	<u>225,271</u>
TOTAL NET ASSETS	<u>7,943,624</u>	<u>8,028,987</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,455,538</u>	<u>\$ 9,663,393</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WASTE WATER UTILITY FUND  
COMPARATIVE STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET ASSETS

For the Years Ended June 30, 2005 and 2004

	June 30	
	2005	2004
OPERATING REVENUES:		
Charges for services:		
Metered sales	\$ 991,618	\$ 976,495
Interdepartmental sales	5,116	13,393
Reconnection fees	2,184	1,378
Miscellaneous revenues	8,183	6,093
TOTAL OPERATING REVENUES	1,007,101	997,359
OPERATING EXPENSES:		
Production	275,434	269,646
Transmission and distribution	87,878	65,965
Station	25,431	20,472
Customer service	23,501	23,170
Administrative and general	354,919	330,348
Provision for depreciation	200,214	201,739
Overhead to utilities	168,537	161,712
TOTAL OPERATING EXPENSES	1,135,914	1,073,052
OPERATING INCOME (LOSS)	(128,813)	(75,693)
NON-OPERATING REVENUES (EXPENSES):		
Gain (loss) on sale of investments	(17,887)	(65,534)
Gain (loss) sale of property	-	(52)
Interest earnings	93,823	97,419
Interest expense	(31,053)	(33,466)
Operating transfers out:		
Capital Projects Fund	(1,433)	(15,712)
TOTAL NON-OPERATING REVENUES (EXPENSES)	43,450	(17,345)
CHANGE IN NET ASSETS	(85,363)	(93,038)
Net assets, beginning of year	8,028,987	8,122,025
NET ASSETS, END OF YEAR	\$ 7,943,624	\$ 8,028,987

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WASTE WATER UTILITY FUND  
COMPARATIVE STATEMENT OF CASH FLOWSFor the year ended June 30, 2005  
with comparative totals for June 30, 2004

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from other funds for purchase of receivables	\$ 990,862	\$ 923,686
Cash received from other funds for services	5,116	13,393
Cash payments to suppliers for goods and services	(568,361)	(556,310)
Cash payments to employees for services	(342,690)	(277,847)
Cash payments to other funds for services	(30,274)	(25,824)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>54,653</u>	<u>77,098</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Operating transfers out	(1,433)	(15,712)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(6,621)	(40,079)
Principal paid on revenue bond maturities	(115,000)	(115,000)
Interest paid on revenue bonds	(31,656)	(34,068)
NET CASH USED FOR CAPITAL FINANCING ACTIVITIES	<u>(153,277)</u>	<u>(189,147)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Gain (loss) on sale of investments	(17,887)	(65,534)
Interest received	95,907	105,332
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>78,020</u>	<u>39,798</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(22,037)	(87,963)
Cash and equivalents, beginning of year	<u>2,375,237</u>	<u>2,463,200</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 2,353,200</u>	<u>\$ 2,375,237</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (128,813)	\$ (75,693)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation & amortization	200,214	201,739
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(11,123)	(60,280)
(Increase) decrease in chemical inventory and prepaids	1,264	(1,046)
Increase (decrease) in accounts payable	(9,205)	6,794
Increase (decrease) in accruals	2,316	5,584
Total adjustments	<u>183,466</u>	<u>152,791</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 54,653</u>	<u>\$ 77,098</u>

See accompanying notes to financial statements.

## CITY OF ESCANABA, MICHIGAN

WASTE WATER UTILITY FUND  
COMPARATIVE SCHEDULE OF OPERATING EXPENSES

For the Years Ended June 30, 2005 and 2004

	June 30		Increase (Decrease)
	2005	2004	
OPERATING EXPENSES:			
Production:			
Salaries and wages	\$ 135,075	\$ 133,685	\$ 1,390
Supplies - miscellaneous	342	65	277
Plant chemicals	25,878	23,796	2,082
Laboratory chemicals and supplies	3,931	4,790	(859)
NPDES and permit testing	10,637	10,383	254
Sludge hauling	18,053	29,099	(11,046)
Sludge fee	1,424	1,603	(179)
Diesel fuel	703	470	233
Repairs to structure - labor	3,293	4,290	(997)
Repairs to structures - supplies	4,258	2,338	1,920
Repairs to equipment - outside vendors	1,276	1,549	(273)
Repairs to equipment - labor	46,079	42,634	3,445
Repairs to equipment - supplies	23,537	14,077	9,460
Rental of equipment	948	867	81
Total production	<u>\$ 275,434</u>	<u>\$ 269,646</u>	<u>\$ 5,788</u>
Transmission and distribution:			
Salaries and wages	\$ 24,729	\$ 21,636	\$ 3,093
Fringe benefits	5	39	(34)
Supplies - miscellaneous	771	873	(102)
Repairs to structures - supplies	33,879	20,739	13,140
Rental of equipment	23,111	18,629	4,482
Repairs to structure - inspection	5,383	4,049	1,334
Total transmission and distribution	<u>\$ 87,878</u>	<u>\$ 65,965</u>	<u>\$ 21,913</u>
Station:			
Salaries and wages	\$ 10,072	\$ 10,482	\$ (410)
Repairs to structures - supplies	63	41	22
Repairs to equipment - labor	4,805	5,220	(415)
Repairs to equipment - supplies	6,563	1,328	5,235
Rental of equipment	3,928	3,401	527
Total station	<u>\$ 25,431</u>	<u>\$ 20,472</u>	<u>\$ 4,959</u>
Customer service:			
Rental of equipment	\$ 1,319	\$ 1,493	\$ (174)
Labor - service to customers	22,182	21,677	505
Total customer service	<u>\$ 23,501</u>	<u>\$ 23,170</u>	<u>\$ 331</u>
Administrative and general:			
Salaries and wages	\$ 97,673	\$ 95,912	\$ 1,761
Telephone	2,646	2,315	331
Overhead on salaries and wages	78,635	64,618	14,017
Life and hospital insurance	77,452	67,697	9,755
Supplies - miscellaneous	83	510	(427)
Office supplies	743	530	213
Building supplies	635	752	(117)
Professional services	-	559	(559)
Special services	384	462	(78)
Miss Dig	278	266	12
Travel expense, auto allowance	2,291	2,021	270
Insurance and bonds	20,404	21,282	(878)
Utilities - electric	58,521	59,221	(700)
Utilities - gas	7,836	8,915	(1,079)
Repairs to equipment	1,445	1,500	(55)
Rental of equipment	968	1,434	(466)
Uncollectible accounts	(96)	357	(453)
Memberships and dues	240	749	(509)
Education and training	4,781	1,248	3,533
Total administrative and general	<u>\$ 354,919</u>	<u>\$ 330,348</u>	<u>\$ 24,571</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

WASTE WATER UTILITY FUND  
SCHEDULE OF BOND PRINCIPAL AND INTEREST MATURITIES

June 30, 2005

CITY OF ESCANABA SEWAGE DISPOSAL SYSTEM REVENUE BOND  
PROJECT #5149-01 ISSUED SEPTEMBER 29, 1998

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
October 1, 2005	2.25%	\$ 45,000	\$ 8,325	\$ 53,325
April 1, 2006	2.25%	-	7,819	7,819
October 1, 2006	2.25%	45,000	7,819	52,819
April 1, 2007	2.25%	-	7,313	7,313
October 1, 2007	2.25%	50,000	7,312	57,312
April 1, 2008	2.25%	-	6,750	6,750
October 1, 2008	2.25%	50,000	6,750	56,750
April 1, 2009	2.25%	-	6,188	6,188
October 1, 2009	2.25%	50,000	6,187	56,187
April 1, 2010	2.25%	-	5,625	5,625
October 1, 2010	2.25%	50,000	5,625	55,625
April 1, 2011	2.25%	-	5,063	5,063
October 1, 2011	2.25%	50,000	5,062	55,062
April 1, 2012	2.25%	-	4,500	4,500
October 1, 2012	2.25%	55,000	4,500	59,500
April 1, 2013	2.25%	-	3,881	3,881
October 1, 2013	2.25%	55,000	3,881	58,881
April 1, 2014	2.25%	-	3,263	3,263
October 1, 2014	2.25%	55,000	3,262	58,262
April 1, 2015	2.25%	-	2,644	2,644
October 1, 2015	2.25%	55,000	2,644	57,644
April 1, 2016	2.25%	-	2,025	2,025
October 1, 2016	2.25%	60,000	2,025	62,025
April 1, 2017	2.25%	-	1,350	1,350
October 1, 2017	2.25%	60,000	1,350	61,350
April 1, 2018	2.25%	-	675	675
October 1, 2018	2.25%	60,000	675	60,675
		<u>\$ 740,000</u>	<u>\$ 122,513</u>	<u>\$ 862,513</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
WASTE WATER UTILITY FUND  
SCHEDULE OF BOND PRINCIPAL AND INTEREST MATURITIES

June 30, 2005

CITY OF ESCANABA SEWAGE DISPOSAL SYSTEM REVENUE BOND PROJECT #5069-01

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
October 1, 2005	2.00%	\$ 70,000	\$ 6.900	\$ 76.900
April 1, 2006	2.00%	-	6.200	6.200
October 1, 2006	2.00%	70,000	6.200	76.200
April 1, 2007	2.00%	-	5.500	5.500
October 1, 2007	2.00%	75,000	5.500	80.500
April 1, 2008	2.00%	-	4.750	4.750
October 1, 2008	2.00%	75,000	4.750	79.750
April 1, 2009	2.00%	-	4.000	4.000
October 1, 2009	2.00%	75,000	4.000	79.000
April 1, 2010	2.00%	-	3.250	3.250
October 1, 2010	2.00%	80,000	3.250	83.250
April 1, 2011	2.00%	-	2.450	2.450
October 1, 2011	2.00%	80,000	2.450	82.450
April 1, 2012	2.00%	-	1.650	1.650
October 1, 2012	2.00%	80,000	1.650	81.650
April 1, 2013	2.00%	-	850	850
October 1, 2013	2.00%	<u>85,000</u>	<u>850</u>	<u>85.850</u>
		<u>\$ 690,000</u>	<u>\$ 64,200</u>	<u>\$ 754.200</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN

WASTE WATER UTILITY FUND  
SCHEDULE OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

For the year ended June 30, 2005

	<u>Balance</u> <u>06/30/04</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>06/30/05</u>
Land	\$ 1,873	\$ -	\$ -	\$ 1,873
Structures and improvements	6,328,567	-	-	6,328,567
Tools and equipment	45,889	-	-	45,889
Mains	5,130,231	-	-	5,130,231
Purification equipment	2,762	-	-	2,762
Office furniture and equipment	<u>36,156</u>	<u>3,131</u>	<u>-</u>	<u>39,287</u>
Subtotal	11,545,478	3,131	-	11,548,609
Construction in progress	<u>30,560</u>	<u>3,490</u>	<u>-</u>	<u>34,050</u>
TOTALS	<u>\$11,576,038</u>	<u>\$ 6,621</u>	<u>\$ -</u>	<u>\$11,582,659</u>

See accompanying notes to financial statements.

CITY OF ESCANABA, MICHIGAN  
MARINA FUND  
COMPARATIVE STATEMENT OF NET ASSETS

June 30, 2005 and 2004

	<u>June 30</u>	
	<u>2005</u>	<u>2004</u>
ASSETS:		
Current assets:		
Cash	\$ 21,073	\$ 13,029
Investments, at market	67,782	102,297
Accrued interest receivable	923	1,165
Receivables	6,655	10,536
Inventories, net of obsolescence allowance	<u>14,091</u>	<u>11,725</u>
Total current assets	<u>110,524</u>	<u>138,752</u>
Property, plant and equipment	2,617,372	2,617,372
Less accumulated depreciation	<u>(697,798)</u>	<u>(635,062)</u>
Net property, plant and equipment	<u>1,919,574</u>	<u>1,982,310</u>
TOTAL ASSETS	<u>\$ 2,030,098</u>	<u>\$ 2,121,062</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	<u>\$ 3,803</u>	<u>\$ 12,054</u>
Long-term liabilities:		
Advance from other funds:		
Electric Fund	24,112	35,476
Land Development Fund	<u>341,000</u>	<u>345,000</u>
Total long-term liabilities	<u>365,112</u>	<u>380,476</u>
TOTAL LIABILITIES	<u>368,915</u>	<u>392,530</u>
NET ASSETS:		
Invested in capital assets, net of related debt	1,554,462	1,601,834
Unrestricted	<u>106,721</u>	<u>126,698</u>
TOTAL NET ASSETS	<u>1,661,183</u>	<u>1,728,532</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,030,098</u>	<u>\$ 2,121,062</u>

See accompanying notes to financial statements.